

## **Economic Globalization**

*Prepared and presented for the Panel on Globalization, GEOEC 2002 Conference*

*Author and presenter: Scott Harris, Executive Director, Alberta Council for Global Cooperation*

Today is an interesting day on which to discuss economic globalization

For those unfamiliar with labour history:

116 years ago on May 4 in 1886, in Chicago the Haymarket Tragedy took place

The issues faced then show that the history of globalization must be looked at as something which has been the “name of the game” for far more than 20 years

Briefly:

In 1884, the Federation of Organized Trades and Labour Unions declared that “eight hours shall constitute a legal day’s labour from and after May 1, 1886”

May 1, 1886 was to be a day of strikes to force this simple demand on employers

300 000 workers in the United States went off work

Strikes and action continued and on May 3, the police beat and fired guns into striking workers at a local plant known for violent strikes

The following night, May 4 workers were assembled for speeches in the Haymarket area of Chicago

At the end of the evening, police marched in force to the speakers podium and ordered those gathered to disperse

At that moment, unknown persons through a bomb into the ranks of police, which exploded killing one and injuring 70

Police fired into the crowds and chaos ensued

What followed was a massive crackdown on workers, socialists, and anarchists in what was called the first Red Scare in America

In the end, eight anarchists were tried for the crime despite the fact that the person who threw the bomb was never identified

Only one of the eight was on the scene at the time, and was on the speakers podium

In the end, four were hung to death, one committed suicide in his cell and the three were convicted until a pardon was granted years later

It shows how little has changed in the past 116 years:

- 116 years later, the concept of the eight hour work day is under attack:
  - in Ontario, there is now a 60 hour work week
  - in the Global South, the eight hour work week is a distant dream in the sweatshops and maquiladoras

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- rampant consumerism means more and more people are working longer and longer hours
- where once a single wage-earner supported a family, it now takes two
- people work multiple jobs, usually part time to eke out a living
- Part-time work means that job security and benefits are a thing of the past
- 116 years later, dissent is criminalized through laws such as the Patriot Act and Bill C-36
  - Judge Gary in 1886: “if the defendants by speech or print advised, or encouraged the commission of murder, without designating time, place, or occasion at which it should be done, and in pursuance of, and induced by such advice and encouragement, murder was committed, then all of such conspirators are guilty of such murder, whether the person who perpetuated such murder can be identified or not”
  - Bill C-36, a terrorist activity is deemed to be “facilitated” whether or not:
    - The facilitator knows that a particular terrorist activity is facilitated
    - Any particular terrorist activity was foreseen or planned at the time it was facilitated
    - Any terrorist activity was actually carried out
- the vilification by the media and police of people engaged in legitimate dissent still occurs
  - without knowing the person responsible, headlines called socialist and people pushing for the 8 hour day: Bloody Brutes, Red Ruffians, Bloody Monsters, cowards, cutthroats, thieves, assassins, fiends, the arch councillors of riot, pillage, incendiarism and murder
  - in Calgary at the World Petroleum Congress a collection of 24 articles on the protesters from the Calgary Herald and Sun found:
    - 21 riots
    - 12 fires and burnings
    - 14 disruptions
    - 10 tear-gassings
    - 10 violent acts
    - 6 terrorists and terror
    - 9 threats
    - 6 battles
    - 7 vandals
    - 4 hijackings
    - 5 rampages
    - 6 fears
    - 4 smashings
    - 4 bombs
    - 5 wreckings
    - 4 lootings
    - 2 hostages
    - 2 clashes

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- 3 carnages
    - 2 sieges
    - 3 weapons
    - 3 pepper sprayings
    - 5 infiltrations
    - 2 injuries
    - 2 guns
    - An referred to the protesters as “mindless,” “arrogant,” “furious,” “whiners,” “idiots,” “thugs,” “extremists,” “nitwits,” “zealots,” “forces of darkness,” “family-destroying feminists”, waging a “psychic terror campaign” to “intimidate,” “provoke,” “plague” and all around “pick on us.”
  - and when the G8 was first announced, Ralph Klein warned against “punks, thugs, and anarchists” coming to Alberta
- and these are just examples from North America, where the benefits of globalization are supposed to be greatest

Milan Kundera:

“The struggle of humanity against power is the struggle of memory against forgetting.”

The world-wide struggle against corporate globalization is the struggle of humanity against power, and we must keep our memory of the struggles of the past  
The movement against corporate globalization is a struggle that has gone on for hundreds of years against slavery, against colonialism, against imperialism

While the Haymarket example is only 100 years old, we must look at the past twenty years in the context of over 500 years of expansion of globalization

In the struggle of memory against forgetting, we can look to the past for antecedents, in the words of Cecil Rhodes, a British imperialist who lived from 1853-1902, who “founded” Rhodesia:

“We must find new lands from which we can easily obtain raw materials and at the same time exploit the cheap slave labour that is available from the natives of the colonies. The colonies will also provide a dumping ground for the surplus goods produced in our factories.”

This is a relatively fitting description of corporate globalization in a nutshell as encouraged today by institutions such as the World Bank, the IMF, and the WTO

Globalization is a more refined form of colonialism in which armies are, for the most part no longer needed, and the occupation and control of nations is accomplished by trade agreements, structural adjustment programs, and multinational corporations taking over local economies

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For example: Generasians asked 5700 young people in Asia their favourite food and drink:

Australia: McDonald's, Coca Cola  
China: McDonald's, Coca Cola  
Hong Kong: McDonald's, Coca Cola  
Indonesia: McDonald's, Coca Cola  
Japan: McDonald's, Coca Cola  
Malaysia: KFC, Coca Cola  
Singapore: McDonald's, Coca Cola  
Taiwan: McDonald's, Coca Cola  
Thailand: KFC, Pepsi

Globalization or neoliberalism as we know it is typically traced back to the start of the eighties and is personified by Thatcher in Britain, Reagan in the US, and Mulroney in Canada

No matter what term is used, the prescription is well-known:

- the market knows best
- we must cheapen the costs of production through lowering environmental and labour laws
- we must privatize publicly owned enterprises
- we must deregulate industries to allow market forces to guide the economy
- we must allow total free movement for capital
- we must encourage free trade
- we must ensure that business can operate unfettered by government regulation or control
- we must eliminate the idea of the “public good” and put in its place individual responsibility

Perhaps most importantly, in the words of Thatcher, we must have people believe in TINA, There Is No Alternative

Why is this concept so critical?

When we grasp that this vast neoliberal experiment we are all being forced to live under has been created by people with a purpose, once we understand that neo liberalism is not a force like gravity but a totally artificial construct made by people, we can also understand that what some people have created, other people can change

The need for change is self-evident in the world around us. Consider:

- over half the population of the world, over 3 billion people live on less than \$2 per day
- more than a billion people lack safe access to water, and more than 2.4 billion lack adequate sanitation
- worldwide, about 1.2 million women and girls under 18 are trafficked for prostitution each year

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- in 1960, the richest 20% earned 30 times the lowest, by 1997 they earned 74 times
- an economy in which over \$1.5 trillion is traded daily in speculation on currency which creates nothing at all
- top 200 corporations have combined sales higher than the combined economies of 183 countries
- of the 100 largest economies in the world, 52 are now corporations
- 447 billionaires have a combined wealth greater than the income of half of humanity

the economy has become a thing unto itself, the means has become the end, and there is no alternative

the result is the commodification of everything and it is constantly expanding  
 one of the more troubling developments is new trade rules under the WTO covering services, the General Agreement on Trade in Services covers everything that you can't drop on your foot  
 the desire to commodify services is obvious, estimated global value spent annually:

- on education services: 2 trillion
- on water services: 1 trillion
- on energy services: 4 trillion
- on healthcare service: 3.5 trillion
- on social services: 2.5 trillion
- on postal services: 400 billion

everything is on the table

take this quote by Canadian trade minister Pierre Pettigrew when asked if he would seek exemptions for health and education under GATS:

“I'm not talking exemptions this or that. I want us Canadians to be able to export our competence in these areas [of health care and education] to the world.”

If we can export, we have to import

Everything is on the table, and there is no alternative

Fortunately, a growing international movement is too stupid to see that there is no alternative

As Subcommandante Marcos of the Zapatistas says:

“Someone said that fighting neoliberalism was like fighting the law of gravity. Well then, down with the law of gravity.”

Many people trace the beginnings of the global movement to Seattle in 1999, or to APEC in 1997 or the defeat of the Multilateral Agreement on Investment in 1998

In truth, all that has happened is that the countries of the North have finally recognized what nations of the South have known for years

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-for example, in October of 1993, half a million Indian farmers converged on Bangalore, India to voice opposition to the Uruguay Round of GATT and the Trade-Related Intellectual Property Rights Agreement, two years before the WTO was created  
-this was 10 times larger than Seattle and six years before

what is new is that the movement against corporate globalization is becoming truly global in scope

there is now a growing realization that what is happening in Canada is a part of the same process that is happening in Chiapas, Africa, Indonesia, China

there is a growing realization that if we want a just world, we must address the fundamental structures of the global economy

there is a growing realization that the decisions we make here in Canada are tied directly to the conditions of people in the South

there is also a growing realization that people in the South and indigenous people have a tremendous amount to teach us about global justice and about struggles against globalization

I would classify the current movement into two broad classes of activity:

1. to slow the rate of destruction, to stem the bleeding, to slow the machine, and to deal with the immediacy of the crisis we have created
2. the building of parallel structures, of new alternative, democratic structures which propose an alternative

there are some reasons to be optimistic

we see the first stream in:

- protests which have erupted in recent years at meetings of the IMF and World Bank, the WTO, the G8, APEC
- new approaches to global cooperation amongst NGOs working in cooperation with Southern partners which recognize that for aid from the North to be effective, it must be the people of the South themselves who are in control
- we see it in the call for Jubilee, the worldwide movement for the complete elimination of debt to the least developed countries
- we see it in the movement for the Tobin Tax which aims at reducing the volatility of capital markets by imposing a small tax on currency transactions to make gambling on differences in currencies unprofitable
- we see it in southern movements such as the Third World Network which are challenging the power of organizations like the WTO and insisting that before forging ahead with more liberalization we need to address the impact of what we have already done
  - in Seattle, the trade talks collapsed largely because Southern governments would not go along with Northern countries' agendas

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- in Doha, Qatar only the most phenomenal bullying by the Quad pushed an agreement through and then only in part
- we see it in the events of Argentina, where the people rose up against the economic policies advanced by the World Bank, IMF, and WTO and threw out five presidents in a week
- we see it in Cochabamba, Bolivia where an attempt to privatize water by Bechtel Corporation that led to a tripling in water prices led to people rising up to throw the corporation out of the country. Bechtel has moved to Holland so they can sue the government for lost revenue
- we see it in the jungles of Chiapas where indigenous Mayan Indians rose up the day the NAFTA came into effect on Jan. 1 1995
- we see it in little things like 90% of Canadians supporting the Kyoto protocol despite massive propaganda from government and industry alike
- we see it in high-school protests against sweatshops and Nike

More important, however is the global building of alternatives to globalization, which are everywhere

The slogan being used is “A better world is possible”

- one example is the World Social Forum which was first held in Porto Alegre, Brazil in January of 2001 at the same time as the World Economic Forum, an annual meeting of the CEOs of the thousand largest global corporations
- Porto Alegre itself is a brilliant example of working alternatives, where there are participatory budget processes, where citizens actively participate in decisions on allocation of resources
- In 2001, they expected 2000 and some 15 000 arrived, representing 1000 groups from 120 countries
- In 2002, some 50 000 people met again in Porto Alegre
- The World Social Forum is about articulating what the movement is for rather than what we are against
- Another is planned for next year in Porto Alegre and regional meetings are ongoing, including one for a Canadian Social Forum
- Another less known movement is the Peoples’ Global Action, formed in 1998 as a communication and coordination tool for the global movement
- PGA recognizes the differences in privilege and ensures that 75% of representatives at assemblies are from the Global South
- We see it in the global fair trade movement which ensures that workers and producers are paid a fair wage for their products
- We see it in the landless peasant movement in Brazil where lands are reoccupied for use by the landless

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- We see it in the global independent media movement, which allows people and activists to avoid the filters of corporate media and freely exchange information and ideas
- We see it in squatters movements all around the world and in movements of poor people, including the Ontario Coalition Against Poverty in Ontario
- We see it in new models of organizing which are non-hierarchical and based on consensus, recognize gender issues, racism, homophobia, ableism
- The anti-globalization movement is trying to create democratic structures which reflect the world we wish to see
- We see it in the growth of support for organic and locally produced foods
- Local food sustainability is an issue in Edmonton as it is in Guatemala
- We see this in local currency and barter communities from Bangladesh to Calgary

We are in the midst of the struggle of memory against forgetting.

We are in the midst of the building of a global social movement, which is hard to see when in the midst of it

We are in a struggle against the idea that there is no alternative to an economic system that leaves half of humanity without enough

We must recognize that the struggles of people in the South are our struggles.

We must continue to challenge illegitimate structures of power and privilege such as the WTO, IMF, and World Bank.

We must continue to build structures which reinforce local control, local empowerment, and a recognition of the global commons.

While these structures are strengthened, the power of transnationals and the organizations which extend their reach are weakened.

As legitimate North-South partnerships are fostered, we begin to create living alternatives to globalization that become self-reinforcing.

The greatest strength of our movement is that it offers involvement, empowerment, and community. It offers things we all desire that are undelivered by economic globalization.

George W. Bush:

“Now is not the time to grow timid or weary, we will inspire the world by our example.”

In the words of the Zapatistas of Chiapas: Ya Basta!

In the words of the People’s Global Action: We are everywhere.

In the words of OCAP: Fight to win!

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