

Globalisation



Our world is gradually becoming one single huge market. Some people have said that the world has become a village.

We all talk about globalisation but do we know what it is exactly?

Globalisation refers to a process that is characterised by:

1. the expansion of telecommunications and information technologies;
2. the reduction of national barriers to trade and investment;
3. Increasing capital flows and the interdependency of financial markets.

Indeed, globalisation promotes an increasing mobility of people although the control over migrations is greater than ever (air traffic has never been so important in the world's history), global alliances among companies are more and more common (see the examples of the telecommunication and food industries), and it is possible to chat through computers with people from virtually any country in the world. Finally, the recent financial crashes in Asia and Latin America have demonstrated the increasing financial and economic interdependency.

And what are the key challenges of globalisation?

There is a lot of controversy about the current and potential consequences of globalisation. We can identify many dilemmas and in many cases there are no clear-cut answers. Numerous sectors and individuals such as human rights activists, scholars, economists, researchers and sociologists concerned by its negative impact have identified some of the following issues as key challenges:

1. *Reduction of state sovereignty*: Where governments have less and less control over key decisions that can affect their economies and consequently the well-being of their people, the most powerful transnational companies, intergovernmental structures and private financial institutions have a growing influence and tend to act in the same way as governments. This is why it is said that the sovereignty of states has been strongly reduced. Their traditional roles are being redefined.

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2. *“Economically focused”*: Economical considerations are taking over political and social considerations. Since private companies and intergovernmental international and regional organisations are increasingly assuming a predominant role in running states and world affairs, there is a risk that the economic and financial dimensions will prevail as the sole concerns of these institutions ignoring other fundamental issues related to social, health or environmental aspects.

3. *Lack of transparency and responsibility*: Governments, public institutions, national banking authorities, etc., traditionally in charge of deciding the future of their countries and people, have seen this responsibility in some cases being gradually taken away from them. Many of their actions and decisions are controlled since they are democratically accountable, but this is not the case for transnational corporations or international and regional institutions. In the case of human rights violations, for example, is it almost impossible to hold them responsible and to monitor their actions. Furthermore, in many of these instances, concern has been expressed over the lack of transparency of the existing decision-making mechanisms. For instance, in some cases in the World Trade Organisation, decisions are taken behind closed doors after complex processes of multilateral informal or formal negotiations.

4. *“Race to the bottom”*: One particular characteristic of the liberalisation of trade is that transnational companies tend to relocate in countries offering better comparative advantages, which in practical terms means lower salaries for workers, less strict labour legislation, more flexible working conditions, non-existing or non-applied environmental legislation, lower taxes and cuts in social expenses such as unemployment insurance, health care, etc. In these circumstances, it is easy to come to the conclusion that human rights are strongly being affected by such practices, especially but not exclusively with regard to the economic and social rights of the workers in the host countries that are facing difficult social and economic conditions and are in need of foreign investments to help reactivate their already fragile economies.

5. *Homogenisation*: Some argue that the threat of living in a single integrated society with standardised social and cultural patterns of behaviour would condition us to eat the same food, listen to the same music or watch the same movies wherever we live and whatever our nationality. This situation would deny the specificity of each country and would violate our rights to enjoy our own cultures.

In this context, consumer boycotts have sometimes been successful in rectifying unethical and unlawful business practices. Additionally, some companies and organisations are trying to develop business strategies that would transcend the problems of globalisation.

More specifically, as far as trade liberalisation is concerned, some of the main intergovernmental international and regional institutions that have been promoting it are:

- The World Trade Organisation
- The International Monetary Fund
- The World Bank
- The World Economic Forum. A private organisation gathering the most powerful 2000 companies in the world. They meet every year in Davos, Switzerland.
- Regional trading blocs such as the European Union, the North American Free Trade Agreement (NAFTA) and the Asia Pacific Economic Co-operation (APEC).

? Do you know where the clothes you are wearing or the food you are eating come from?

The Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the revised European Social Charter, as well as the Community Charter

The Fair Trade Movement

intends to label goods and products that are produced in conformity with social practices and with human rights. This way the consumers who are aware of such issues have the opportunity to make a difference by using their purchasing power.

“The Sub-Commission on the Promotion and Protection of Human Rights ... requests all governments and economic policy forums to take international human rights obligations and principles fully into account in international economic policy formulation.”³¹

of Fundamental Social Rights of Workers and the European Union Charter of Fundamental Rights (although this last is not yet legally binding) are some of the international and regional instruments that are particularly relevant to the issue of globalisation. It is worth mentioning that the United Nations Sub-Commission on the Promotion and Protection of Human Rights, as well as the Sub-Commission on the Prevention of Discrimination and Protection of Minorities have both adopted resolutions on human rights and globalisation, the first one on trade liberalisation and its impact on human rights (Resolution 1999/30) and the second one on human rights as the primary objective of trade, investment and financial policy (Resolution 1998/12).

Some of the assumed positive aspects of globalisation

1. *Redefining citizenship:* There is a new dimension of citizenship that is emerging and which is called global citizenship. It combines with the traditional concept of citizenship linked to the exercise of political and legal rights and obligations such as voting. Indeed, to be a global citizen nowadays means to be more critical of what we consume and in which conditions products have been produced, and to be more aware of global issues such as poverty affecting the world, environmental problems or violence. Additionally, some people argue that social and cultural globalisation means the opposite of homogeneity; that, on the contrary, new practices and identities are created as a result of the processes of interaction.

2. *Increasing mobility and faster communications:* Despite the obvious increasing technological gap between the haves and the have-nots which is one of the major downsides of this trend, one of the positive consequences of the opening up of borders and the development of the Internet and other technologies is that it has become increasingly easier to travel from one country to another or to communicate with people from all over the world. This gives us the opportunity to share and learn from one another and from other cultures, hopefully by teaching us to be more tolerant and respectful.

3. *The gradual opening up of borders:* Should facilitate the development and implementation of transnational and regional judicial systems of protection of human rights that can rectify human rights violations. The European Court of Human Rights is an example of quite an efficient regional system of protection of human rights.

The anti-globalisation movement

As a response to financial and economic globalisation, important sectors of civil society concerned by its negative impact have started to organise a world movement to promote what they call a humanisation of globalisation. This international movement commonly called ‘the anti-globalisation movement’, gathers trade-unions, environmental non-governmental organisations, politicians, human rights activists, scholars, women’s institutions, etc., in short, a wide range of institutions and individuals interested in building a more equitable world which, according to them, cannot exist as long as neo-liberalism, deregulation and privatisation are the main engines of economic globalisation. They call for globalisation with a human face. Some of these groups have chosen to demonstrate their disagreement by participating in large protests during meetings organised by the G7+1 and other institutions that promote such phenomena. Unfortunately, the most highly visible aspect during such events has been the violent incidents which have caused a lot of material damage. This movement is also gradually organising itself. The World Social Forum has met in Porto Alegre, in Brazil “parallel” to the World Economic Forum meeting

in Davos, Switzerland, and gave the opportunity to thousands of delegates from civil society organisations to analyse issues related to globalisation and its consequences and to study alternatives. Under the slogan "Another world is possible" some of the numerous key issues discussed were the process of reforming the World Trade Organisation, the defence of human rights (especially economic, social and environmental rights) and debt relief for the Third World.

In conclusion, we could quote Xavier Godinot of ATD Quart Monde: "Globalisation is a collective challenge as well as an invitation for each of us to reinvent new ways of being citizens of the world."

"Solidarity is the tenderness of peoples."

Ernesto Cardenal

Some NGOs and institutions dealing with globalisation:

Oxfam, www.oxfam.org

Fédération Internationale des Droits de l'Homme, www.fidh.org

International Forum on Globalisation, www.ifg.org

Third World Network, www.townside.org.sg

L'Observatoire de la Mondialisation, <http://terresacree.org/obsmondi.htm>

ATTAC, www.attac.org

World Social Forum: www.forumsocialmundial.org.br



Do you know any other institution or individual from your own country that can be added to this list?

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