

Anti Globalization



Brief Back Ground:

- Globalization is an inevitable fact of the current world system.
- Until very recently promoters of globalization were sure that the globalization of the world economy would enhance economic growth even in the least developed countries and bring welfare to the world societies.
- However, when expected positive results did not come true in all spheres, resistance against globalization started surfacing. In some cases even the supporters of the economic restructuring started criticising some aspects of globalization.
- The groups that focused on the negative consequences of globalization gave rise to the emergence of an anti-globalization movement which later on spread to various parts of World
- In the following section of topic we will deliberate upon the meaning, reasons and other aspects of globalization. In the later section anti globalization Movement will be discussed in detail.

What is anti-globalisation?

- Anti-globalization is a political belief opposed to the emergence of a single world market dominated by multinational companies. **Anti-globalization** refers to the movement whose participants are opposed to capitalism and **globalization**.

What does the anti-globalists criticize?

The Anti-Globalization Movement criticizes:

- **Transnationalization of Production and Corporate restructuring:**

During the 1970s, transnational corporations have started to build factories in low-wage countries of the third world, and this process has been continuing with growing intensity. This results in adverse impact on production of goods in developing economies as most of the production is taken over by these corporations.

While corporations have always operated on an international level, during the 1980s they have started to restructure in order to adapt to the operations in a global economy. They started to develop new corporate forms by strategic alliances, global outsourcing, and transnational mergers, which allowed for what some economists called the “concentration of control with the decentralization of production”.

These corporations use international institutions to support their own corporate and financial interests, can exercise privileges that individuals and small businesses cannot, including the ability to:

- move freely across borders
- extract desired natural resources
- use a wide variety of human resources

Exploitation of the resources in the developing countries by these corporations is the worst of all. Example of Starbucks Vs. Ethiopian Coffee farmer can be used to elaborate this.

Ethiopians demand Starbucks' support to trademark 3 of its coffees in US. Starbucks sell a cup of Cappuccino for \$4. On the other hand if we see daily income of Ethiopian farmer at the coffee farm it is around \$0.50.

Anti globalization movement criticizes big MNCs in this context.

■ **Transnationalization of Finance and Currency Fluctuations:**

International capital markets have globalized at an accelerated rate. The capital has become rapidly mobile, which brought about financial speculative markets able to destroy a nation's economy in incredibly short times, and leave long-term negative effects behind. In case of crisis in one economy the whole world economy is affected and a chain process starts which lasts for many years leaving the poor countries in problems.

In addition to above, most of the international trade buys and sells products using the US dollar. The price of dollar fluctuates day-to-day in developing countries, this results in imbalanced economy due to fluctuating exchange rates and price fluctuations for goods and services. This adversely affects the developing countries.

■ **Exploitation through Global Institutions:**

The World Trade Organization (WTO), the International Monetary Fund (IMF), the World Bank (WB), and similar multilateral institutions have developed far greater powers and have used them to accelerate the globalization process. However, these institutions alongwith facilitating globalization have exploited the third world economies in various aspects ranging from economy to policy making. These institutions provide loans and assistance in various forms but in turn they try to dictate their own models and policies which result in exploitation of developing economies.

■ **Changing structure of work and job insecurity:**

Globalization processes favored "flexible" workers. To facilitate labor mobility most of the OECD countries have loosened labor laws on hiring and firing. "Flexible" workers are also expected to be "flexible" in working hours, wages, benefits, and health and safety standards.

In an economy where workers are "flexible" jobs are expected to be "flexible" also. "flexible" jobs are often casual, part-time and temporary, with few if any benefits beyond the wages offered. "Flexibilization" showed itself with the deterioration of the working conditions, especially for less skilled labor, and increased insecurity in the workplace

Before globalization, skilled people got employment in government sectors and companies where they received high salaries. Job opportunities were waiting for those who completed colleges and earned a degree. People would resign a job and quickly get another. Due to globalization, there are many people seeking employment all over the world. Employers take advantage of cheap labor. One can get a dismissal because of a slight mistake as the employer can find a skilled worker who is ready to be paid less.

■ **Unemployment**

In almost all developing countries over half of the working population relied on casual jobs in industries until globalization took root. The advancement of technology has reduced such employment and increased global need for skilled professionals. Majority of people in developing countries don't have skills, while the available jobs are poorly paid due to high demand caused by globalization.

Most of the people are left unemployed and unable to meet their basic needs resulting in increased criminal activities such as burglary, pickpocketing, murder and drug abuse. The rate of unemployment and poverty keeps growing as the gap between the rich and the poor widens.

■ **Neoliberal ideology and policies:**

Neoliberalism is a term for different social and economic ideas. ... Neoliberalism is characterized by free market trade, deregulation of financial markets, mercantilism and the shift away from state welfare provision

Globalization has been accompanied by an emerging neoliberal ideology, which mainly argues that markets are efficient and government intervention in the markets is almost always unwanted and has negative consequences.

The main features of the policy implications of neoliberal ideology that are imposed on governments all over the world are; privatization, deregulation, open markets, balanced budgets, and the dismantling of the welfare state.

The anti globalization tendencies see this ideology as danger to the economies of developing countries and welfare of people.

■ **Neo-imperialism:**

Whereas imperialism is typically characterized by conquest and rule, and colonialism by migration and residence in the conquered territory, neo-imperialism is domination and sometimes even hegemony over others primarily by way of formally free legal agreements, economic power, and cultural influence.

Globalization brought much of the global dominance of the former imperialist powers back. Globalization has taken the control of economic policies away from the hands of the nation states, especially the poor third world states, and subordinated them to foreign corporations, international institutions, and dominant states.

It has intensified economic competition among the rich powers, and intensified the economic interdependencies, so that it is almost impossible to isolate one nation from the global economy and develop an independent self-sufficient economic system.

■ **Changing role of the state:**

While some governments actively encouraged globalization and most complied, because globalization considerably reduced the power of the nation state, particularly their power to serve the interests of their own people.

As mentioned above capital mobility undermined the power of national governments to pursue full employment policies or regulate corporations.

International organizations and agreements increasingly restricted environmental and social protections. Neoliberal ideology reshaped beliefs about what governments should do and what is able to accomplish.

This changing role of nation state in the context of globalization is criticized by the anti globalists.

■ **Movement of people:**

Globalization has accelerated migration in two different ways: First, globalization has resulted in the development of a professional class which follows the capital and travels with the capital.

Second, with the economic disruptions and accompanying job losses globalization has created an illegally migrating class (due to the border barriers of developed nations to the poor people) in search of jobs and subsistence.

The second class is usually in a vulnerable situation due to their illegal status.

An opportunity in richer countries drives talent away from poorer countries, leading to brain drain so developing countries can struggle to develop because their best-skilled labour leaves the economy

■ **Displacements of Workers**

Thanks to globalization, there are employment opportunities all over our huge world. However, most people have had to leave their families for many years as they work abroad. As a result, couples have divorced, remarried and left destitute children at the mercy of volunteers and shelters.

Some children haven't been able to meet their old-aged parents' needs because the money they earn from their job is not enough. Lots of seniors die due to sicknesses and lack of financial and emotional support from their children.

■ **Cultural homogenization and abandonment of unique culture**

Globalization has undermined the economic base of diverse local and indigenous communities all over the world. Growing domination of global media based in a few dominant countries and companies has led to an increasingly uniform culture.

Every community, society, or nation has its values and beliefs, that is to say – own culture. They are essential because they mold the acceptable behavior of the people in a particular community. The elders or leaders ensure that the people behave in a morally upright way.

However, globalization mixed different cultures. Then people reconsidered their authentic rules and customs regarding their culture as primitive. Some nations from developing countries adopt the western culture and abandon there's own.

The community leaders can no longer pursue their own domestic policy punishing citizens for crimes them as they did before because they are regarded as backward and primitive by international society.

So many local or minority cultures are facing the fate of disappearing and a commodity-based consumer culture is spreading.

They adopt the culture which is quite strange and distant from their nature, due to such policy, people conduct themselves regardless of actual laws. As a result, there is an increased crime as acts such as rape, divorce, and domestic violence get on the rise.

■ **Increased Lifestyle diseases and spread of diseases**

Globalization has brought in the consumption of processed foods, planting crops using chemicals to minimize the duration of growth and increase profit. In order to benefit from business, animals such as the cows are fed on chemicals that make them produce a lot of milk or increase in weight for those that are sold for the meat industry.

Due to increased ingestion of chemicals from foods, chronic diseases are on the rise. The mortality rate is high. Furthermore, there is a reduction in the lifespan in the developing countries.

Furhter, spread of diseases across globe has also increased due to globalization. The very recent example can be the COVID-19 pandemic. Diseases are being spread by travelers to the remotest corners of the globe.

■ **Environmental Degradation**

The increased economic activity leads to greater emissions of industrial pollutants and more environmental degradation. Globalization has thus Aggravated pollution, global warming, losses in biodiversity, species extinction and forests reductions.

Average global temperatures are estimated to rise 1- 3.5 centigrade (33.8 – 38.5 degrees) by 2050. In addition to this the developed industrial countries export hazardous waste to third world countries.

Events in Anti-Globalization Movement

The material for this topic has been provided in PPT separately

Other Movements/moderate forms of Anti-Globalization

Alter-globalization (also known as alternative globalization is a social movement whose proponents support global cooperation and interaction, but oppose what they describe as the negative effects of economic globalization, considering it to often work to the detriment of, or to not adequately promote, human values such as environmental and climate protection, economic justice, labor protection, protection of indigenous cultures, peace and civil liberties.

The global justice movement is a network of globalized social movements demanding global justice by opposing what is often known as the “corporate globalization” and promoting equal distribution of economic resources. The movement is often labeled the anti-globalization movement by the mainstream media. Those involved, however, frequently deny

that they are anti-globalization, insisting that they support the globalization of communication and people and oppose only the global expansion of corporate power.

Impact of movements targeting globalization

The anti globalization movement has not that much successful however, alter globalization and global justice movements have been quite successful in achieving some of its key aims mentioned below:

- Many countries no longer rely on IMF loans and so, by the mid-2000s, IMF lending was at its lowest share of world GDP since the 1970s.
- Awareness among the masses across the globe has been created regarding negative impacts of globalization due to which many governments are pressurized to carefully engage in globalization.
- The protests and demands of participants of anti globalization movement and other such activities make the world leaders aware of the concerns of world population which may lead to better policies in future.

Criticism against Anti globalization Movement

The anti-globalization movement has been criticized by politicians and many mainstream economists on the following grounds:

■ **Lack of evidence**

Critics assert that the empirical evidence does not support the views of the anti-globalization movement. These critics point to following statistical trends which are interpreted to be results of globalization, capitalism, and the economic growth they encourage.

- There has been an absolute decrease in the percentage of people in developing countries living below \$1 per day in east Asia (adjusted for inflation and purchasing power).
- Sub Saharan Africa, as an area that felt the consequences of poor governance and was less responsive to globalization, has seen an increase in poverty while all other areas of the world have seen no change in rate.
- The world income per head has increased.
- The increase in universal suffrage (the right of almost all adults to vote in political elections), has increased due to globalization.
- There are similar trends for electric power, cars, radios, and telephones per capita as well as the percentage of the population with access to clean water.

Members of the anti-globalization movement argue that positive data from countries which largely ignored globalization or data indicators which are negative are not portrayed by the critics.

■ **Disorganization**

One of the most common criticisms of the movement, which does not necessarily come from its opponents, is simply that the anti-globalization movement lacks

coherent goals, and that the views of different protesters are often in opposition to each other.

Many members of the movement are also aware of this, and argue that, as long as they have a common opponent, they should march together – even if they don't share exactly the same political vision.

There is no formal set up of anti globalization movement and it is a series of protests and related activities targeting globalization.

■ **Lack of widespread support in developing countries**

Critics have asserted that people from poor and developing countries have been relatively accepting and supportive of globalization while the strongest opposition to globalization has come from activists, unions, and NGOs in wealthier developed countries.

These critics assert that people from the Third World see the anti-globalization movement as a threat to their jobs, wages, consuming options and livelihoods, and that a cessation or reversal of globalization would result in many people in poor countries being left in greater poverty.

On the other hand, anti globalists say that there have been notable protests against certain globalization policies by workers in developing nations. Further, In the last few years, many developing countries (esp. in Latin America and Caribbean) created alter-globalization organizations as economic blocs which are supporting development of low income countries without involvement from IMF or World Bank.

Comparison between Globalization and Anti Globalization

Globalization	Anti Globalization
Favors free borders	Favors closed borders or tighter restrictions
Favors less travel restrictions across borders	Favors international travel restrictions
Favors less protectionism	Favors protectionism for local economies
Enhances competition across the globe	Criticizes negative impact of increased competition on developing countries
Creates a mix global culture	Sees this as death of local or minority cultures
Increases global production of goods	Criticizes negative impact on environment
See increased international relations as opportunity	Sees this is rich nations exploiting poor countries due to imbalance in international relations
Makes efforts for global community as a whole	Look after OWN citizens