



Globalization and Democracy

Dr. Bilas Ranjan Das

Assistant Professor, Dyal Singh College, University of Delhi, New Delhi, India

Abstract

Globalization is the most talked about and less understood concept of this millennium. There have been several interpretations about the concept. To define it; global, national, regional and local events and economies are constantly interacting with each other. The whole world is connected deeply than before. The anti-globalization movement is also due to these interconnectedness. Why has globalization- a force that has brought so much good-become so controversial? Globalization is to be managed in such a way that those whose lives are affected should have voice in the decision-making process.

Keywords: globalization, democracy, millennium, brought, decision-making

Introduction

Globalization as Integration

The entanglement of diverse cultures and economies non-known as globalization has been spreading for centuries and the world has been shrinking as a result^[1]. Peppers, maize and potatoes, once only found in Latin America are now common foods in India, Africa and Europe. Spices originally from Indonesia thrive in the Caribbean. The descendants of African slaves, first brought to work the land of the 'new world', have become Americans, Jamaicans, Canadians, Brazilians and Guyanese. American Cotton, which helped usher in the first phase of industrial revolution, is framed in Egypt and Sudan. There have been technological change for the past 35 years. The micro-electronic revolution has irrevocably changed the essence of human contact on Earth. Distances are shrinking and information is faster than ever before. The internet and the world wide web have helped the process, enabling business to communicate more smoothly and sparking what some have called the 'third wave' of economic growth. At the same time these new channels of communication have spread a homogeneous and largely commercial culture. There is every reason to believe this global exchange of people, products, plant, animals, technologies and ideas will continue into the future. Globalization cannot help but be a positive force for change if we come to recognize the common thread of humanity that ties us together. Globalization opens the way for an open society where individuals are confronted with personal decisions. But sadly certain sectarian forces are trying to impose their values upon human kind which I would discuss later. Open society is that society where opinions are freely circulated, debated and discussed, which have been constrained by new a hegemonic world order. Humankind has always had a curiosity about the unknown and a passion to fully explore the world we inhabit. It is part of what makes us human. This restless spirit is what drives globalization and it is a seductive and powerful promise.

We believe strongly that human kind can make the world a better place, both through improved technologies and

scientific understanding of the natural world. The more we observe the universe, the sounder will be our theory. Economic progress is the one sure indicator of human development and the vision of a globally unified market is the logical rout to that destination. Economic globalization, the expansion of trade in goods and services between countries, is said to be the key to a more equal, more peaceful, less parochial world. For generations the received wisdom has been that the free market is the engine of human progress, based on the notion that open markets unleash the true potential of human society and are the threshold to the free play of ideas, the spread of universal human rights and the deep desire for democratic government^[2]. Global integration and cross-cultural understanding will result in a borderless world where political parochialisms are put aside in a new pact of shared universal humanity.

Controversy - Why?

In the beginning of 21st century authoritarianism is appearing in new forms some of which are visible and a larger portion remaining invisible in the world. Democratic transitions have not taken place as lauded by the leaders of the first world elites. A few examples can be cited in defence of this proposition. In the arena of political economy we are seeing a growing hold of hegemonic capitalism both of the domestic and of the transnational (multinational) types as the World Bank, IMF, WTO-inspired process unfolds. The hegemonic structure has created a condition by which the rich are being richer and the poor are exploited as the gap between them group. At the same time the agricultural economy is showing signs of weakening. Military hegemony and terrorism has been another concern. The recent USA occupation in Iraq is an example. Religious fundamentalism and majoritarian communalism have created insecurity among minorities which can hardly be described as democratic. Recent decades have experienced frequent changes of governments or military take overs in South Asian countries, particularly in Pakistan and Bangladesh, and a majority of the Third World countries of

Africa and Latin America. Though India has adopted liberal democracy, some authoritarian elements are found; the crisis of governance, marginalization of vast sections, criminalization of politics (money and muscle power) and majoritarian communalism.

The operation of liberal democracy throughout the world has on the one hand, awakened democratic consciousness, on the other, consolidated the power of ruling elites. Thus, how an 'ideals democratic model' can emerge, is a matter of concern for contemporary political theorists. The transition from the highly centralized model of development supported by militaristic hegemony to decentralized world order enquires that common people at the ground level participate both in the decision-making and governance. They can then ensure that they have control over their local resources. At the same time the individual can act as a rational agent and make his/her own moral choice and ultimately can attain his/her fullest realizations. This can be made possible through debates and discussions than through hegemonic designs.

Broken Promises

Globalization has facilitated many people in the world now live longer than before and their standard of living is far better. People in the west may regard low-paying jobs at Nike as exploitation, but for many in the developing world, working in a factory is a far better option than staying down on the farm and growing rice^[3]. Globalization has reduced the sense of isolation felt in much of the developing world and has given many people in the developing countries access to knowledge well beyond the reach of even the wealthiest in any country a century ago. But many in the developing world, believe that globalization has not brought the promised economic benefits. Despite repeated promises of poverty reduction made over the last three decades, the actual number of people living in poverty has actually increased by almost 100 million.

If globalization has not succeeded in reducing poverty, neither has it succeeded in ensuring stability^[4]. The critics of globalization accuse western countries of hypocrisy and the critics are right. The western countries have pushed poor countries to eliminate trade barriers, but kept up their own barriers, preventing developing countries from exporting their agricultural products and so depriving them of desperately needed export income. Globalization is typically associated with accepting triumphant capitalism, American style.

To understand what went wrong, it's important to look at the three main institutions that govern globalization: The IMF, the World Bank and the WTO. Two institutions may be focused, the IMF and the world Bank as they have been at the centre of the major economic issues of the last two decades, including the financial crises and the transition of the former communist countries to market economies. Over the years since its inception, the IMF often marked badly, it non-champions market supremacy with ideological fervor. Founded on the belief that there is a need for international pressure on countries to have more expansionary economic policies - such as increasing expenditures, reducing taxes, or lowering interest rates to stimulate the economy - today the IMF typically provides funds only if countries engage in policies like cutting deficits, raising taxes, or raising interest rates that

lead to a contraction of the economy^[5]. These changes occurred in the 1980s, in the era when Ronald Regan and Margaret Thatcher preached free market economy in the USA and the UK. The IMF and the World Bank become the new missionary institutions, through which these ideas were pushed on the reluctant poor countries that often badly needed their loans and the grants^[6].

It was the business of the IMF to focus on crises; but the developing countries were always in need of help, so the IMF became a permanent part of life in most of the developing world. The IMF deals with macroeconomics in dealing with a country i.e. to the government's budget deficit, its monetary policy, its inflation, its trade deficit, its borrowing from abroad; and the World Bank deals with the structural issues - what the country's government spent money on, the financial institutions, its labour markets and its trade policies.

The two institutions could have provided countries with alternative perspectives on some of the challenges of development and transition, and along so they might have strengthened democratic processes. But they were both driven by the collective will of the G-7 (the governments of the seven most important advanced industrial countries)^[7]. IMF funds and programs failed to stabilize the situation especially for the poor. It has failed in its mission of promoting global stability. It has not been successful for guiding the transition of countries from communism to market economy. Moreover while the demand for global norms has become more critical, the absence of legitimate and global deliberative mechanisms makes their realization more difficult^[8].

While almost all the activities of the IMF and the World Bank today are in the developing world (certainly, all their lending), they are led by representatives from the industrialized nations. They are chosen behind closed doors, and it has never been viewed as a prerequisite that the head should have any experience in the developing world. The institutions are not representative of the nations they serve. We have a system that might be called global governance without global government, one in which a few institutions - the World Bank, the IMF, the WTO - and a few players - the finance, commerce, and trade ministries closely linked to certain financial and commercial interests - dominate the scene, but in which many of these affected by their decision are left almost voiceless. IMF programs are typically dictated from Washington. Globalization can be understood primarily as an extension of American hegemony or American empire^[9].

Everyone in the international financial institutions or in the governments were committed to the goal of eliminating poverty; but there was lack of open debate about strategies - strategies which in so many areas seem to be failing, especially failing the poor. Statistics shows that these who travel outside the capital see in the villages of Africa, Nepal, Mindanao, or Ethiopia, the gap between the poor and the rich has been growing, even the number in absolute poverty-living or less than a dollar day - has increased. Poverty endures despite all the good intentions and promises made by the developed nations to the developing nations, most of which were once the colonial possessions of the developed nations. On the other hand, globalization is destroying local cultures, widening world inequalities and worsening the lot of the impoverished. Some transnational companies sell goods that are

controlled or banned in the industrial countries - poor quality medical drugs, destructive pesticides or high fat and nicotine cigarettes. Rather than a global village, one might say that is more like global pillage ^[10].

Globalization and Democracy

But we need to advance globalization further rather than retrad it, but globalization has to be managed more effectively and equitably than has happened over the past few decades, and the ideological agenda of economic development shifted. The idea that economic development can come about purely through the stimulus of market competition is false and even dangerous. This has led to market fundamentalism. The state has a major role to play. The guiding hand of the state is needed, as are institutional reforms promoting education and emancipation of women, banking reforms and fostering stable investment climate ^[11]. These goals are by no means beyond the reach of even very poor countries the major advances made in nations such as Botswana and Mozambique shows.

The international institutions should focus on issues where global collective action is desirable, or even necessary. Actions the benefits of which accrue largely locally (such as actions benefits to local population) should be conducted at the local level; while those that benefit the citizens of entire country should be undertaken at the national level. Globalization, has meant that there is increasing recognition of arenas where impacts are global. It is in these arenas where global governance are essential. The recognition of these areas has been paralleled by the creation of global institutions to address such concerns. If democracy is to be sustained; the United Nations can be thought of as focusing upon issues of global political security, while the international financial institutions, and in particular the IMF, are supposed to focus on global economic stability.

But these are not the only arenas in which global collective action is essential. These are global environmental issues, especially those that concern the oceans and atmosphere. It also requires the role of the persons involved. There are also global health issues like the spread of highly contagious disease such as AIDS, which respect no boundaries. The World Health Organization has succeeded in eradicating a few diseases, notably river blindness and smallpox, but in many areas of global public health the challenges ahead are enormous. Education is another major issues where the children of the poor people are deprived of quality education. The state must play a predominant role in promoting education to the least advantageous.

There must be constant and continuous effort for openness and transparency. Transparency is even more important in public institutions like the IMF, the World Bank, and the WTO, because their leaders are not elected directly. Though they are public, there is no direct accountability to the public. If democratic values are to be strengthened, these institutions must be more transparent.

Conclusion

Finally I would say in a based upon active communication, hard power- power that comes only from the top down - loses its edge. Globalization is to be managed in such a way, the voices which are unheard must be heard. Decentralized

democratic order would require that those who are at the bottom are able to determine their future by taking their own decisions. They are not to be dictated from the top. The marginalized sections of society have every right to lead a dignified life by working on their own account and they have the right to adhere their local culture.

References

1. Ellwood Wayne. The No-Nonsense guide to Globalization, New Internationalist Publications Ltd., London, 2001, 8.
2. Ibid, 10.
3. Joseph E. Stiglitz, Globalization and Its Discontents, WW Norton and Company, New York, 2002, 4.
4. Ibid, 6.
5. Ibid, 12-13.
6. Ibid, 13.
7. Ibid, 14-15.
8. David Held and Anthony McGrew eds., Globalization Theory Approaches and Controversies, Polity Press, Cambridge / Malden, 2007, 8.
9. Ibid, 7.
10. Anthony Giddens, Run Away World How Globalization is Reshaping or Lives, Bookmarque Ltd., London, 2002, 16.
11. Ibid, 29.