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Resisting 'Globalisation-from-above' Through 'Globalisation-from-below'

RICHARD FALK

I. A normative assessment of globalisation

Globalisation, with all of its uncertainties and inadequacies as a term, does usefully call attention to a series of developments associated with the ongoing dynamic of economic restructuring at the global level. The negative essence of this dynamic, as unfolding within the present historical timeframe, is to impose on governments the discipline of global capital in a manner that promotes economic policy making in national arenas of decision, subjugating the outlook of governments, political parties, leaders and elites and often accentuating distress to vulnerable and disadvantaged regions and peoples.

Among the consequences is a one-sided depoliticising of the state as neoliberalism becomes 'the only game in town', according to widely accepted perceptions that are dutifully disseminated by the mainstream media to all corners of the planet. Such a neoliberal mind-set is deeply opposed to social public sector expenditures devoted to welfare, job creation, environmental protection, health care, education, and even the alleviation of poverty. To a great extent, these expenditures are entrenched, and difficult to diminish directly because of legal obstacles and citizen backlash, as well as varying degrees of electoral accountability in constitutional democracies. Nevertheless, the political tide is definitely running in the neoliberal direction, and will continue to do so as long as the public can be induced to ingest the pill of social austerity without reacting too vigorously. To date, the mainstream has been generally pacified, especially as represented by principal political parties, and what reaction has occurred has too often been expressed by a surge of support for nativist, right-wing extremism that indicts global capital and blames immigrants for high unemployment and stagnant wages.

This set of circumstances, if not properly modified, presages a generally grim future for human society, including a tendency to make alternative orientations towards economic policy appear irrelevant; to the extent believed, this induces a climate of resignation and despair. To the extent that normative goals continue

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to be affirmed within political arenas, as is the case to varying degrees with human rights and environmental protection, their substantive claims on resources are treated either as an unfortunate, if necessary, burden on the grand objectives of growth and competitiveness or as a humanitarian luxury that is becoming less affordable and acceptable in an integrated market-driven world economy.

Indeed, one of the obvious spillover effects of the mind-set induced by globalisation is to exert strong downward pressure on public goods expenditures, especially those with an external or global dimension. The financial strains being experienced by the United Nations, despite the savings associated with the absence of strategic rivalry of the sort that fuelled the Cold War arms race, is emblematic of declining political support for global public goods, and runs counter to the widespread realisation that the growing complexity of international life requires increasing global capabilities for coordination and governance, at minimum for the sake of efficiency.¹

In the context of international trade, both domestic labour and minority groups in rich countries of the North mount pressure to attach human rights and environmental conditionalities to trade considerations, whereas business and financial elites resist such advocacy (unless they happen to be operating outside the global marketplace, and hence have an anachronistic territorial, statist outlook on sales and profits) as it diminishes their 'out-sourcing' opportunities to take advantage of dramatically lower labour costs and weaker regulatory standards in most of the South.

Economic globalisation has also had some major positive benefits, including a partial levelling-up impact on North-South relations and a rising standard of living for several hundred million people in Asia, which has included rescuing many millions from poverty. Indeed, according to recent UNDP figures the proportion of the poor globally, but not their absolute number, has been declining during the past several years. There are some indications that after countries reach a certain level of development, especially in response to the demands of an expanding urban middle class, pressures mount to improve workplace and environmental conditions. Such governments also become more confident actors on the global stage, challenging inequities and biases of geopolitical structures; Malaysia typifies such a pattern. There is nothing inherently wrong with encouraging economies of scale and the pursuit of comparative advantage so long as the social, environmental, political and cultural effects are mainly beneficial. What is objectionable is to indulge a kind of market mysticism that accords policy hegemony to the promotion of economic growth, disregarding adverse social effects and shaping economic policy on the basis of ideological certitudes that are not attentive to the realities of human suffering.

Globalisation is also historically influenced by several contingent factors that intensify these adverse human effects, i.e. the social costs of the process. First of all, in the current period globalisation is proceeding in an ideological atmosphere in which neoliberal thinking and priorities go virtually unchallenged, especially in the leading market economies; the collapse of the socialist 'other' has encouraged capitalism to pursue its market logic with a relentlessness that has not been evident since the first decades of the industrial revolution. Second,

this neoliberal climate of opinion is reinforced by an anti-government societal mood that is composed of many elements, including a consumerist reluctance to pay taxes; an alleged failure by government to be successful when promoting social objectives; a 'third wave' set of decentralising technological moves that emphasise the transformative civilisational role of computers and electronic information; and a declining capacity of political parties to provide their own citizenry with forward-looking policy proposals. Third, the policy orientation of government has also grown steadily more business-focused, reflecting the decline of organised labour as a social force, resulting in the serious erosion of the perceived threat of revolutionary opposition from what Immanuel Wallerstein usefully identifies as 'the dangerous classes'.² In addition, the mobility of capital is increasing in a world economy that is much more shaped by financial flows and the acquisition of intellectual property rights than it is by manufacturing and trade in tangible goods and services. Fourth, the fiscal imperatives of debt and deficit reduction in the interests of transnational monetary stability reinforce other aspects of globalisation. Fifth, this unfolding of globalisation as an historical process is occurring within an international order that exhibits gross inequalities of every variety, thereby concentrating the benefits of growth upon already advantaged sectors within and among societies and worsening the relative and absolute condition of those already most disadvantaged. The experience of sub-Saharan Africa is strongly confirmatory of this generalisation.³

Thus it is that globalisation in *this* historical setting poses a particular form of normative challenge that is distinctive and different from what it would be in other globalising circumstances. The challenge being posed is directed, above all, at the survival of, and maybe the very possibility of sustaining, the compassionate state, as typified by the humane achievements of the Scandinavian countries up through the 1980s and by the optimistic gradualism of social democratic approaches to politics.⁴ The impacts attributed to globalisation have been strongly reinforced by the most influential readings given to the ending of the Cold War, discrediting not only utopian socialism, but any self-conscious societal project aimed at the betterment of living conditions for the poor or regarding the minimising of social disparities as generally desirable.

These ideological and operational aspects of globalisation are associated with the way transnational market forces dominate the policy scene, including the significant cooptation of state power. This pattern of development is identified here as 'globalisation-from-above', a set of forces and legitimating ideas that is in many respects located beyond the effective reach of territorial authority and that has enlisted most governments as tacit partners. But globalisation, so conceived, has generated criticism and resistance, both of a local, grassroots variety, based on the concreteness of the specifics of time and place—e.g. the siting of a dam or nuclear power plant or the destruction of a forest—and on a transnational basis, involving the linking of knowledge and political action in hundreds of civic initiatives. It is this latter aggregate of phenomena that is described here under the rubric of 'globalisation-from-below'.⁵

Given this understanding it is useful to ask the question—what is the normative potential of globalisation-from-below? The idea of normative potential is to conceptualise widely shared world order values: minimising violence,

maximising economic well-being, realising social and political justice, and upholding environmental quality.⁶ These values often interact inconsistently, but are normatively coherent in the sense of depicting the main dimensions of a widely shared consensus as to the promotion of benevolent forms of world order, and seem at odds in crucial respects with part of the orientation and some of the main impacts of globalisation-from-above in its current historical phase. In all probability, globalisation-from-above would have different and generally more positive normative impacts if the prevailing ideological climate was conditioned by social democracy rather than by neoliberalism or if the adaptation of the state was subject to stronger countervailing societal or transnational pressures of a character that accorded more fully with world order values. This historical setting of globalisation exhibits various tendencies of unequal significance, the identification of which helps us assess whether globalisation-from-below is capable of neutralising some of the detrimental impacts of globalisation-from-above. A further caveat is in order. The dichotomising distinction between above and below is only a first approximation of the main social formations attributable to globalisation. Closer scrutiny suggests numerous cross-cutting diagonal alignments that bring grassroots forces into various positive and negative relationships with governmental and neoliberal policies. Coalition possibilities vary also in relation to issue area. For instance, transnational social initiatives with respect to economic and social rights may be affirmed by some governments, while comparable initiatives directed at environmental protection or disarmament would appeal to other governments.

II. The new politics of resistance in an era of globalisation

Political oppositional forms in relation to globalisation-from-above have been shaped by several specific conditions. First, there is the virtual futility of concentrating upon conventional electoral politics, given the extent to which principal political parties in constitutional democracies have subscribed to a programme and orientation that accepts the essential features of the discipline of global capital. This development may not persist if social forces can be mobilised in such a way as to press social democratic leaderships effectively to resume their commitment to the establishment of a compassionate state, and such an outlook proves to be generally viable in the context of governing. To succeed, except under special circumstances, would imply that globalisation-from-above was not structurally powerful enough to prevent defections at the unit level of the state. Of course, variations of constraining influence arise from many factors, including the ideological stance of the leadership, efficiency in handling the social agenda, disparities in wealth and income, and the overall growth rates of the national, regional and global economies. The main conclusion remains. Resistance to economic globalisation is not likely to be effective if it relies on national elections to gain influence and change the role of government on matters of political economy.

Second, criticism of economic globalisation at the level of societal politics is unlikely to have a major impact on public and elite opinion until a credible

alternative economic approach is fashioned intellectually, and such an alternative approach has enough mobilising effect on people that a new perception of the 'dangerous classes'—which this time is not likely to be the industrial working class—re-enters discourse, again making economic and political elites nervous enough about their managerial ability to contain opposition to begin seriously entertaining more progressive policy options. In such an altered atmosphere it is easy to imagine the negotiation of social contracts that restore balance to the interests of people and those of markets.

Third, aside from the re-emergence of dangerous classes, there are prospects that ecological constraints of various sorts will induce the market to send a variety of signals calling for a negotiated transition to managed economic growth in the interest of sustainability. Under these conditions, with limits on growth being required for both environmental reasons and middle-term business profitability, it may be possible at some now unforeseen point in the future to reach a series of agreements on a regional basis, and perhaps even globally, that amount to a global social contract. The objective of such an instrument, which would not need to be formally agreed upon, would be to balance anxieties about the carrying capacity of the earth against a range of social demands about securing the basic needs of individuals and communities, quite possibly on a regional level.

Fourth, globalisation-from-above is definitely encouraging a resurgence of support for right-wing extremism, a varied and evolving array of political movements that may scare governments dominated by moderate outlooks into rethinking their degree of acquiescence to the discipline of global capital. Electoral results in several European countries, including Austria and France, reveal both growing support for the political right and a turn to the far right by citizens faced with the fiscal symptoms of economic globalisation, including cutbacks in social services, high interest rates, capital outflows and instability in employment and prospects. Will national political parties and governments be able to recover their legitimacy and authority by responding effectively to this challenge without successfully modifying the global setting and its current impact on the policy-making process?

Fifth, will labour militancy become somewhat more effective and socially visible as it shifts its focus from industrial age priorities of wages and workplace conditions to such emerging concerns as downsizing, out-sourcing and job security? There are also possibilities of engaging wider constituencies than organised labour in this struggle, individuals and groups that are feeling some of the negative effects of globalising tendencies. Jacques Chirac seemed sufficiently shaken by the December 1995 large-scale work-stoppages and demonstrations that he partially reversed ideological course, at least rhetorically, and suddenly called for the creation of 'a social Europe', which was a retreat from a basic tenet of neoliberalism and thus provided a psychological victory for the perspectives favouring globalisation-from-below. Subsequent demonstrations and strikes in France appear to be generalised societal, especially urban, reactions against the austerity budget being implemented by the government so as to qualify the country for participation in plans to establish currency and monetary union within the framework of the European Union. But rhetorical victories do not

necessarily produce adjustments in policy, particularly if the structures that underpin the neoliberal approach are strong and elusive, as is the case with the world economy. In retrospect, Chirac's conversion to the cause of a social Europe seems like little more than a tactical manoeuvre designed to gain more operating room, comparable perhaps to George Bush, the arch realist, momentarily extolling the virtues of the United Nations during the Gulf crisis and proclaiming a new world order. After the crisis passed, so did the opportunistic embrace Bush had made of a more law-orientated system of security for international society.

Another indicative development with respect to labour is a renewed recourse to the strike weapon as a means for working people to resist globalisation. Organised labour, despite economic growth in the North, has not been able to share in the material benefits of a larger economic pie because of the impinging effects of competitiveness and fiscal austerity, and in numerous economic sectors it has been losing jobs and facing a continuous threat of industrial relocation. The General Motors strike of October 1996 in Canada may be a harbinger of both a new wave of labour militancy and a new agenda of grievances. The strike focused on precisely these issues, involving a direct challenge to the approach of the managers of economic globalisation. It is symbolically, as well as intrinsically, important, suggesting a new direction of emphasis in the labour movement that has all sorts of potential for transnational cooperative activities across societies whose workers have benefitted from globalisation, but whose working conditions are miserable in a variety of respects.

Sixth, and informing the whole process of globalisation, whether from above or below, is the weakening of control by the state over identity politics, with a variety of positive and negative consequences. Transnational networks of affiliation in relation to gender, race and class have become more tenable, although confusingly they coexist with an ultra-nationalist backlash politics that seeks to reappropriate the state for the benefit of traditional ethnic identities. In important respects, backlash politics represents the inversion of globalisation-from-below, i.e. a repudiation of globalisation-from-above by a reliance on the protectionist capabilities of the state, a tactic that has generally been an economic failure, most spectacularly in relation to the experience of the Soviet bloc countries in the latter stages of the Cold War. In contrast, China, with its opening to the forces of globalisation-from-above, while suppressing those associated with globalisation-from-below, has enjoyed spectacular economic success, although at high human costs. The main point, however, is that the democratic spaces available to resist globalisation-from-above tend to be mainly situated at either local levels of engagement or transnationally. One very visible siting has been in relation to global conferences under the auspices of the United Nations on a variety of policy issues, including environment, development, human rights, the role of women, the social responsibilities of government, population pressures and problems of urban life and habitat. What has been impressive has been the creative tactics used by transnational participating groups, denied formal access because of their lack of statist credentials, yet exerting a considerable impact on the agenda and substantive outcomes of inter-governmental activities, and at the same time strengthening transnational

links. Starting with the Rio Conference on Environment and Development in 1992, through the 1993 Vienna Conference on Human Rights and Development, the 1994 Cairo Conference on Population and Development, the 1995 Social Summit in Copenhagen and the Beijing Conference on Women and Development, to the 1996 Istanbul Conference on Habitat and Development, there has been a flow of gatherings that acknowledged to varying degrees the emergent role of globalisation-from-below. These events were early experiments in a new sort of participatory politics that had little connection with the traditional practices of politics within states, and could be regarded as fledgling attempts to constitute 'global democracy'.

Such developments, representing a definite effort to engage directly both statist and market forces, produced their own kind of backlash politics. At first, at Rio and Vienna, the effort was a cooptive one, acknowledging the participation of globalisation-from-below as legitimate and significant, yet controlling outcomes. But later on, at Cairo, Copenhagen and Beijing, the more radical potentialities of these democratising forces were perceived as adversaries of the neoliberal conception of political economy, and the format of a global conference open to both types of globalisation began to be perceived as risky, possibly an early sighting of the next wave of revolutionary challenge, the rebirth of dangerous classes in the sense earlier reserved for the labour movement.

If this assessment of action and reaction is generally accurate it suggests the probability of several adjustments. To begin with, there may emerge a reluctance to finance and organise global conferences under the banner of the United Nations that address non-technical matters of human concern. There will be a search for new formats by forces associated with globalisation-from-below, possibly increasing the oppositional character of participation, creating a hostile presence at meetings of the Group of Seven or at the annual meetings of the Board of Governors of the IMF or World Bank, possibly organising tribunals of the people to consider allegations against globalisation-from-above. In effect, if the challenge of globalisation-from-below is to become dangerous enough to tempt those representing globalisation-from-above to seek accommodation, new tactics will have to be developed. One direction of activity that is easier to organise is to concentrate energies of resistance at the regional levels of encounter, especially in Europe and Asia-Pacific, at inter-governmental gatherings devoted to expanding relative and absolute growth for the region *vis-à-vis* the global economy. The Third World Network, based in Penang, has been very effective in educating the cadres of resistance to globalisation-from-above about adverse effects and encouraging various types of opposition. Otherwise, resistance to globalisation-from-above and the ascendancy of market forces is likely to be ignored.

Seventh, it has become necessary to formulate a programmatic response to this pattern of action and reaction between those political tendencies seeking to embody the logic of the market in structures of global economic governance, such as the World Trade Organization and the Bretton Woods institutions, and the transnational political forces seeking to realise the vision of cosmopolitan democracy.⁷ More directly, militant tactics may also be selectively employed to supplement the regulatory efforts, feeble at best, of national governments. Such

a dynamic was initiated successfully by Greenpeace two years ago to reverse a decision by Shell Oil, approved by the British government, to sink a large oil rig named Brent Spar in the North Sea. The issue here was one of environmental protection, but the tactic of consumer leverage is potentially deployable in relation to any issue that finds its way onto the transnational social agenda. What induced the Shell turnaround—although it never conceded the possible environmental dangers of its planned disposal of the oil rig—was the focus of the boycott on Shell service stations, especially those located in Germany. Indeed, the impact of this initiative was so great that both the *Wall Street Journal* and the *Financial Times* editorialised against Greenpeace, complaining that it had become ‘an environmental superpower’.

At this stage, the politics of resistance in this emergent era of globalisation are in formation. Because of the global scope, combined with the unevenness of economic and political conditions, the tactics and priorities will be diverse, adapted to the local, national and regional circumstances. Just as globalisation-from-above tends towards homogeneity and unity, so globalisation-from-below tends towards heterogeneity and diversity, even tension and contradiction. This contrast highlights the fundamental difference between top-down hierarchical politics and bottom-up participatory politics. It is not a zero-sum rivalry, but rather one in which the transnational democratic goals are designed to reconcile global market operations with the well-being of peoples and with the carrying capacity of the earth. Whether such a reconciliation is possible is likely to be the most salient political challenge at the dawn of a new millennium.

Notes

1. See two recent reports of global commissions of eminent persons, published as *Our Global Neighbourhood* by the Independent Commission on Global Governance (Oxford University Press, 1995); and *Caring for the Future* by the Independent Commission on Population and the Quality of Life (Oxford University Press, 1996).
2. Immanuel Wallerstein, *After Liberalism* (New Press, 1995), pp. 1–8, 93–107.
3. Effectively argued in Smitu Kothari, ‘Where are the people? The United Nations, global economic institutions and governance’, in: Chris Reus-Smit, Anthony Jarvis & Albert Paolini (Eds), *The United Nations: Between Sovereignty and Global Governance* (Macmillan, 1997).
4. This position is elaborated in Richard Falk, ‘An Inquiry into the Political Economy of World Order’, *New Political Economy*, Vol. 1 (1996), No. 1, pp. 13–26.
5. For initial reliance on this terminology with respect to globalisation, see Richard Falk, ‘The making of global citizenship’, in: Jeremy Brecher, John Brown Childs & Jill Cutler (Eds), *Global Visions: Beyond the New World Order* (South End Press, 1993), pp. 39–50. For a useful and sophisticated overview of globalisation-from-below in the context of transnational environmentalism, see Paul Wapner, *Environmental Action and World Civic Politics* (SUNY Press, 1995).
6. For an attempted clarification of world order values and their interrelations, see Richard Falk, *A Study of Future Worlds* (Free Press, 1975), pp. 11–43.
7. A comprehensive and important effort to formulate such a perspective is to be found in the writings of David Held, *Democracy and the Global Order: From the Modern State to Cosmopolitan Democracy* (Polity Press, 1995), pp. 267–86.