

## Introduction

# Envisioning a Civilized Globalization

ALI BURAK GÜVEN AND RICHARD SANDBROOK

The first edition of *Civilizing Globalization* (2003) was conceived at a time of growing popular discontent with globalization. From Seattle in 1999 to Washington, Genoa, Zurich, and Québec City in later years, mass demonstrations provoked fierce police reactions and hostile responses from mainstream media. The dissenters represented a heterogeneous spectrum of civil society organizations and groups that were nonetheless united in their deep misgivings about the social, economic and environmental consequences of market-driven globalism. Their main targets were the entwined corporate and political forces associated with the prevailing pattern of globalization—multinational corporations headquartered in affluent countries; international institutions such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO); and intergovernmental platforms dominated by Northern powers, such as the Group of Eight (G8). *Civilizing Globalization*, taking this emergent counter-movement seriously, discussed feasible paths to reforming or transforming the emergent global order.

The current edition comes at an equally crucial juncture. The first few years following the release of the first edition were marked by relative prosperity and stability in the world economy. An unprecedented surge in trade and financial flows translated into high economic growth rates in every region. It appeared that neoliberal globalization would finally deliver on its promise of enhanced prosperity for all. Yet this revived optimism was illusory. It ignored the many undesirable trends associated with the global triumph of neoliberalism that we discuss in this book and summarize below. In particular, the global crisis of the late-2000s, triggered by the financial meltdown in the Anglo-American core, exposed the destructive potential of untrammled market integration. Today, the world is still trying to recover from the crisis. The effects are felt most severely in the wealthy countries of the global North, with many major economies locked in

a matrix of stagnating growth, high unemployment and record levels of public, corporate and household debt. Developing countries were not entirely spared either. Although most weathered the turbulence better than advanced economies, few have recaptured their extraordinary momentum in the mid-2000s. Ours is an age of intense uncertainty.

Despite the gravity of the challenges, concrete initiatives for genuine change in the global regime remain insubstantial. The sense of collective emergency that characterized the initial years of the economic crisis has mostly waned, even though the underlying structural problems persist. International financial regulatory efforts have been impeded by an organized counteroffensive of bankers and hedge funds; initiatives for effective global policy coordination through mechanisms such as the revamped G20 are losing momentum as national strategic agendas regain prominence; and transnational civil protests such as the Occupy movement are gradually dissipating. And little, if any, progress is being made on issues that required urgent global cooperation since before the crisis, such as climate change and the impasse in international trade rules. The world's problems are in ever sharper relief, but in the absence of coordinated pressure from powerful popular movements, policymakers remain reluctant to engage in fundamental course corrections requiring sacrifices from dominant corporate and political interests.

Although much has changed in a decade as our authors emphasize in the chapters that follow, this revised edition nonetheless finds it necessary to present the same basic case as in the first edition:

- unfettered global markets harbor destructive tendencies;
- the solution lies not in abandoning markets but in systematically taming them through regulation and structuring incentives to reward economic behavior that advances the common good;
- a systematic program of this nature entails complementary transformations in global governance and resource flows; and
- humanizing globalization in this way depends upon the growing influence of a transnational and nonviolent protest movement.

Civilizing globalization, therefore, is a metaphor for harnessing global markets so that the economy serves society and the environment, not the reverse.

However, this book does not present a monolithic ideological stance. Its contributors form a diverse group. Certain authors subscribe to a radical vision in which the role of markets is severely restricted. Others advocate more modest reforms of the global market economy and its governance. Astute readers will note the differences in viewpoint.

## Destructive Tendencies and Divergent Encounters

Globalization is a contested concept. Clarification begins with distinguishing between the *generic* use of the term and a particular *species*: neoliberal globalization. As a genus, globalization simply refers to a dramatic increase in transnational economic, political, and cultural interactions, effecting qualitative changes in the lives of people. Globalization in this sense is rooted in “deterritorialization”; owing to rapid advances in transport and telecommunications technologies, distance and national boundaries no longer pose major constraints upon human interactions among the world’s widely dispersed inhabitants. *Generic globalization* is therefore not inherently bad. Just the opposite: it holds significant emancipatory potential given how most social relations in modern times have been confined to artificially created, state-controlled national spaces. Left skeptics, for this reason, seldom challenge globalization per se. Rather, they concern themselves with how to harness the progressive potential of growing suprateritoriality for ordinary citizens (for a more extensive discussion, see chapter 9 by Peter Evans).

“Neoliberal” globalization, on the other hand, is an elite project that subordinates generic globalization to a distinctive economic logic. Neoliberalism, at base, contends that “free markets in which individuals maximize their material interests provide the best means for satisfying human aspirations” (Crouch 2011, vii). In turn, *neoliberal globalization* corresponds to the worldwide process of reorganizing economic activity on the principle of intensified integration of, and interdependence among, increasingly liberalized national markets. For the past three decades business and policy elites in both the North and most countries of the South have subscribed to this normative project that accepts unfettered global markets as the inexorable driving force behind deterritorialization. Generic globalization has been put in the service of neoliberal economic norms.

Neoliberal globalism is based on a series of allegedly self-evident truths—that market liberalism is highly productive, raises living standards worldwide, and fosters innovation and individual initiative (see Friedman 2005; Micklewait and Wooldridge 2000). Free trade, according to theory, permits all countries to specialize and exploit their comparative advantages. The free movement of capital, again according to theory, leads to a more efficient allocation of resources around the globe, as capital flows to where it can most profitably be invested. Freely convertible currencies, in combination with open markets, should ensure the efficient allocation of goods and services on a global basis. And growth, while reducing poverty, will also solve its associated environmental problems by furnishing the resources and, ultimately, the demand for cleaner air and water. Because the benefits from borderless free-market capitalism are so great for everyone, its proponents claim, other components of social organization (mainly,

politics and culture) must not be allowed to stand in its way and, where possible, should be reconfigured accordingly.

The real-world record of free-market globalization does not support such a rosy vision. We do not deny the considerable dynamism brought about by unleashing market forces and the accompanying positive effects in some contexts. Neoliberal reforms were instrumental in re-energizing Western economies in the 1980s after the turbulent demise of the post-war “golden age of capitalism.” More recently, under the favorable global economic climate of the pre-crisis 2000s (the commodity boom in particular), most developing regions experienced rapid growth and significant gains in poverty reduction. Yet in the long run these examples hardly constitute a representative storyline. Critics contend that the free-market advocates exaggerate the economic gains and/or underestimate the social, cultural and environmental costs; there are destructive tendencies in place. They also challenge neoliberal assumptions of convergent social and economic dynamics around the world; instead, they point out the diverse regional and local encounters with globalization. These destructive tendencies and divergent encounters are discussed widely in this volume, and include the following:

- Market liberalization reinforces and often exacerbates income inequalities. While the North-South gap steadily narrowed in the 2000s, the effects are uneven across regions, with the bulk of the gains accruing to large middle-income economies. Furthermore, intra-country inequalities have been on the rise in the North as well as the South since the 1980s and, despite the recent high growth performance of the world’s two most populous countries, more than one billion people continue to live in extreme poverty. On the whole, as Albert Berry’s account of the economics of globalization explains (chapter 1), globalization’s positive impact on world economic growth has been relatively small and highly uneven across countries and regions, whereas its negative impact on income distribution has been substantial and across the board.
- Deep, complex, and unruly patterns of financial integration remain the primary destabilizing force in the global economy, as exemplified in the string of emerging market crises in the 1990s but more damagingly during the 2008–2009 financial collapse in advanced countries. Albert Berry (chapter 1), Jan Nederveen Pieterse (chapter 2), Dermot Hodson (chapter 3), and Judith Teichman (chapter 4) refer to various facets and implications of financial vulnerability in different contexts.
- Free trade agreements often place a higher value on freer trade than health and environmental protection in the deregulated

global economy. Michelle Swenarchuk and Scott Sinclair (chapter 17) explore this issue in detail, with special reference to the North American Free Trade Agreement and the WTO. In addition, developing countries are tempted to attract foreign investment by diluting or ignoring their own environmental standards.

- Cultural diversity is threatened as the media mega-corporations, purveying a homogenizing mass culture, demand unrestricted access to foreign markets under the rubric of free trade in services. Longstanding national programs to nurture cultural activities are vulnerable to new rules of international trade, vivid examples of which can be found in Garry Neil's analysis (chapter 20). But nativist reactions to imported cultural norms and fashions also threaten individual freedoms while creating new social cleavages, as Anil Mathew Varughese argues in relation to the case of India (chapter 6).
- Democracy itself is diluted, even in the old democracies. Democracy shrivels when national governments, through international agreements, surrender their power to regulate in the public interest in such areas as trade, financial flows, investment, and health and environmental standards, and when global financial markets effectively punish governments that deviate from conservative monetary, fiscal, and even social policies. In addition, there is the tendency for the wealthy few in increasingly inegalitarian societies to vitiate democracy by seizing disproportionate political influence. Louis Pauly (chapter 11) and Frank Cunningham (chapter 12) expand on the various ways in which the current pattern of globalization impinges on democratic citizenship and public accountability.

Despite these widespread tendencies, regions and countries show considerable variation in engaging with globalization. A key determinant is the rapid rise of several large emerging economies, especially China and India, and an accompanying shift in the global power balance. Jan Nederveen Pieterse (chapter 2) analyzes the possible implications of this "East-South turn" for evolving patterns of global integration in the post-crisis period. Meanwhile, old powers are finding it harder to reconcile the conflicting requisites of successful integration, as Dermot Hodson (chapter 3) explores in relation to Europe. The growing multipolarity of the global economic system generates new obstacles to harmonizing the needs of domestic political legitimacy and international policy coordination for both new and old powers. A universal approach to achieving such harmonization, as advocated by neoliberal globalists, was never tenable and is now

increasingly discounted among policymakers. Heterogeneous strategies, such as “new developmentalism,” are on the rise (e.g., Bresser-Pereira 2009).

Indeed, divergent encounters with globalization are clearly visible at the country level. Judith Teichman (chapter 4), in comparing the cases of Mexico, Chile, and South Korea, demonstrates how different sociopolitical contexts lead to variations in states’ ability to address the social challenges of globalization. And Mitu Sengupta’s analysis of India (chapter 5) examines in detail how pre-existing domains of social tension, from class and gender to democracy and corruption, are reconfigured as global integration deepens. As such, while the preexisting domestic social context poses constraints upon dealing with the destructive tendencies of globalization, this context is itself being transformed by global forces.

If the destructive tendencies we discuss are real, surely they demand a rethinking and retooling of globalization. We are not the passive victims of external forces beyond our control. The regional and local variations in internalizing globalization, just discussed, indicate there is already significant policy space for heterogeneity and alternative projects. And, after all, it is not as though retooling neoliberal globalization requires reversing economic globalization—a truly formidable and potentially dangerous task. Although some critics advocate “deglobalization,” we are not among their ranks. Taken literally, deglobalization does not even seem possible in the first place. Some of those on the left who subscribe to this term do not propose a return to the past, but rather a greater reliance on local production for local consumption (e.g., Bello 2002; 2013). We can transform existing patterns of globalization, but given our current degree of (and dependence on) technological, economic, and cultural integration, *generic* globalization is probably irreversible. Moreover, an atavistic return to an idealized past is not an attractive idea. What precisely should we go back to? Looking at the popular champions of this view—that is, religious extremists and the nationalistic far-right from the United States to Europe, the Middle East and Asia—the political outcome of such an effort would be a defensive, chauvinistic, and even xenophobic isolationism.

We need to move forward to a more integrated world, not backward. The old system of nation states no longer suffices as many economic, social, political, and cultural activities escape national control. Many problems—terrorism and arms control, environmental degradation and climate change, financial volatility, human rights, drug trafficking, international migration, mass poverty—demand global solutions. In any case, economic globalization, particularly international trade, does offer *potential* benefits that we should seek to realize: import of capital and consumer goods at prices lower than domestic substitutes; the flow of ideas, technologies and institutional models; and access to foreign savings. The question is: how can we capture these potential benefits of global integration while building a peaceful, sustainable, and prosperous world?

## How to Civilize Globalization?

The problem, from the perspective of the editors and most of this book's authors, is not *generic* globalization; it is *neoliberal* or free-market globalization. And the solution is *not* to revert to protectionism; it is a regulated and democratically governed global capitalism in which markets are subordinated to social and ecological needs.

This position assumes that there is no realistic substitute for a largely market-based system; in organizing economic activity, the choice seems to lie between more and less benign variants of market economy. Of course, many radical critics of neoliberal globalization are skeptical of merely reforming global capitalism. But advocates of international socialism need to explain how socialism in the twenty-first century will avoid the pathologies of the twentieth century. Many critics also demand the abolition of international organizations such as the IMF, the World Bank, and the WTO, yet such calls are seldom followed by concrete proposals as to what would replace these institutions. When the alternative to current globalization is framed in transformative yet ambiguous terms, a movement opens itself to the charge of left utopianism. Neoliberals can then claim that the only practicable path for managing globalization would be a set of loose regulations selectively implemented in a market-enhancing fashion.

In contrast, our contributors identify technically feasible and largely incremental strategies for achieving a more democratic, ecologically sustainable, stable, and egalitarian global order while retaining markets. And in countering the orthodox neoliberal determinism about the impossibility of systematic regulatory and redistributive imperatives, they also go beyond the "soft" regulatory option promoted by various strands of "social liberalism" since the mid-1990s. One widely known variant of the social-liberal worldview is the "Third Way." Originally associated with Tony Blair and Bill Clinton, the Third Way has been promoted as a modernized (read, "light") social democracy suitable for the affluent countries of the North (Giddens 2000). Its broad equivalent for the South has been the "post-Washington Consensus," the revised development paradigm of the IMF and the World Bank (Stiglitz 1998; see also Rodrik 2006). The core idea underlying both the Third Way and the post-Washington Consensus is to curtail the excesses of orthodox neoliberalism by introducing minor institutional reforms toward market regulation and social inclusion. Yet advocates of these positions remain committed to the neoliberal belief in the primacy of economic over other social considerations, and dismiss measures that might potentially disrupt the smooth operation of markets or harm the global competitiveness of an economy in the long run. In brief, neither the Third Way nor post-Washington Consensus is well-positioned to civilize globalization.

What, then, is the essence of civilizing globalization? It fundamentally involves what Karl Polanyi (2001) described as the "re-embedding of economy

in society.” This formulation is couched in highly abstract terms, so it requires some clarification (for an extended analysis, see Sandbrook 2011, 418–424). An understanding of Polanyi’s key concepts is important because they feature in several of the chapters in this book, especially in Part II.

Polanyi was concerned, above all, in the *moral* embeddedness of an economy. A moral economy protects a society’s families from immiseration and life’s calamities and nature from destruction through a publicly recognized set of social obligations. Norms such as honesty, fairness, respect, and cooperation enhance trust and regulate avidity. But emergent markets, driven by an instrumental rationality, tend to undermine the existing moral or spiritual restrictions on economic behavior. Why? Polanyi explains that individuals in emergent market economies begin to equate well-being with personal wealth, rather than with the social prestige that stems from exemplary fulfillment of their social or religious obligations (as in earlier societies). The avidity bred by this possessive individualism unleashes opportunism.

This moral disembedding of markets, if unimpeded, has the devastating effect of subjecting the essence of life to humankind’s basest instincts. Labor, land, and money—what Polanyi referred to as “fictitious commodities”—were shorn of protective normative constraints as people came to construe them as *commodities*, as means to the end of individual material gain. Liberalism necessarily constructs markets for land (or, more generally, natural resources), labor, and money, for the outputs of these markets are essential inputs into other markets, such as for consumer goods. But these three are not commodities—they are not produced, or if produced, not produced for sale on the market. To treat them as commodities exposes labor, nature and money to the mercenary calculations of “rational” actors; this mentality threatens the “demolition” of society and nature. It is this destructiveness that, for Polanyi, spontaneously generates a “counter-movement” of societal protection (refer to chapter 9 for an extensive critique of this concept).

Globalization releases further pressures toward the disembedding of markets. Globalist thinking and the expansion of cross-border transactions have unmoored major corporations from national obligations they may have accepted in the Keynesian age of national market economies (until the late-1970s). These obligations included social goals such as full employment and the payment of heavy taxes. But neoclassical economic thinking now justifies the view that corporate leaders need act only with the interests of shareholders in mind; this orientation usually means avoiding national taxes through complex global transfers of profits to tax havens, out-sourcing production and back-office services to low-cost jurisdictions, and locating dirty industries in countries with minimal or rarely enforced environmental standards. These practices, although economically rational, devastate local communities and the welfare state, undermine a sense of social cohesion, and accelerate climate change and environmental pollution.



But how can national and global counter-movements re-embed markets, especially those for fictitious commodities, in the context of today's neoliberal global order? Polanyi takes us only so far in answering this question. His "hard" view was that re-embedding meant the displacement of markets by a socialist system of democratic planning. Polanyi in *The Great Transformation* (2001) identifies a dilemma that could be resolved only by transcending capitalism. On the one hand, the liberals' aim of achieving a self-regulating market system is "utopian," in the sense of impossible, owing to the devastation that ensues. On the other hand, the defensive actions of the counter-movement interfere with the market mechanism, leading eventually to economic breakdown and political turmoil (as in the 1930s). But this conclusion that socialist planning is the only progressive response is unconvincing for two reasons: first, the immensity of the transformation seemingly required is such as to paralyze many activist groups, and, secondly, we have no credible model of how a participatory socialism would work or would avoid the pathologies of earlier socialist experiments (see Sandbrook 2014, chapter 4 for an elaboration of this position).

In any event, the Polanyian dilemma is unnecessarily Procrustean. Economies are not either embedded or disembedded; labor, land, and money are not either (fictitious) commodities or noncommodities. There are degrees of embeddedness—in other words, there are degrees of commodification. Partial de-commodification of land, labor, and money has occurred in the postwar development of welfare states. Although one finds a waxing and waning of the degree of commodification/decommodification depending on political struggles, we have no reason to believe that partial de-commodification is inherently unstable or insignificant in protecting society and nature (Sandbrook et al. 2007).

*Civilizing Globalization* thus explores the challenges that arise in a program to humanize globalization, primarily through a program of de-commodification of fictitious commodities and democratization of national and global institutions. The question for us is how global and national markets can assume the role of useful servants rather than tyrannical masters. This goal requires devising innovative and effective political strategies (Part II), strengthening democracy in national polities and fostering inclusive coordination in global governance (Part III), and formulating feasible modes of market regulation, incentive structures encouraging the achievement of social goods, and income redistribution at national as well as global levels (Part IV). Consider each of these inter-related requirements in turn.

### *Building a Counter-Movement*

*Civilizing Globalization* contends that globalization is largely a "constructed system" (Block 2000) and that it therefore can be reconstructed through human agency. Neoliberal globalization has evolved from negotiated international

agreements and the practices of key actors, especially transnational corporations. Technological change has certainly facilitated the integration of global markets, but it has not determined the particular rules and institutions underlying current patterns of integration. In principle, then, a less volatile, more egalitarian, more sustainable, more democratic, and less culturally homogenizing globalization can be won through further negotiated agreements.

But such a transition cannot be expected to follow spontaneously from popular frustration, or even from the self-destructive tendencies of under-regulated markets. The recent global crisis has confirmed that, even in the face of catastrophe, the potential for *change from within* remains limited (Öniş and Güven 2011). The dominant actors of this constructed global system, whose interests are tightly bound to neoliberal globalization, have largely managed to escape responsibility for the economic crisis and other deleterious consequences. Insofar as solutions engineered “from within” (austerity policies, corporate bail-outs, wage erosion and so on) can shift the burden of adjustment onto those who are already disadvantaged by the system, dominant economic elites (mainly corporate executives, whose ranks are regularly joined by former public regulators and top bureaucrats as well as politicians) grow immune to the consequences of market failure. Neoliberal prescriptions prove resilient even when the market economy breaks down (Crouch 2011).

The constraints upon change from within are more plainly visible in “normal times.” Neoliberal globalization has both reflected and further augmented a power shift toward corporate viewpoints in policy design. Several processes render governments structurally amenable to corporate policy preferences. For one thing, the easier it has become for firms to move capital across borders, the more credible is their threat to depart, and the greater their leverage over national governments, their employees and local communities. Likewise, the more highly concentrated capital becomes, with mergers and takeovers justified by the requirements of international competitiveness, the greater the economic and political influence wielded by a small elite presiding over mega-corporations. Finally, as organized labor declines in numbers and/or solidarity in the Western world, the relative power of capital grows. These processes—the growing credibility of capital’s exit option, the expansion of global mega-corporations, and the decline of organized labor—feed a widespread perception that government policy is biased toward corporate preferences at the expense of citizen demands.

Mass political movements are therefore key to civilizing globalization. Governments are unlikely to venture beyond social liberalism unless prodded from below by a powerful protest movement. Part II, “Devising Political Strategies for Civilizing Globalization,” examines the conditions for building a successful counter-movement.

- Robert O’Brien (chapter 7) explores the broad context in which global rules could be transformed, and argues that such change is

more likely to emerge through a sustained coordination of state, corporate and civil society actors.

- James Mittelman (chapter 8) outlines the diverse forms of resistance to neoliberal globalization and stresses the significance of enhancing channels for civic participation in decision-making.
- Peter B. Evans (chapter 9) identifies innovative strategies for constructing successful counter-hegemonic movements and assesses the challenges ahead in light of evidence from several cases.
- Richard A. Falk (chapter 10) analyzes how the elite-driven project of globalization-from-above (GFA) could be counteracted through a people-driven process of globalization-from-below (GFB).

### *Strengthening Democracy and Reforming Global Governance*

To succeed, a counter-movement cannot rely merely on its strategic prowess. The history of social struggles is replete with examples of powerful movements seeking legitimate goals that fail, not as a result of their own inadequacy, but as a consequence of operating within inhospitable macro-political environments. Democratic deficits of domestic polities, still a major problem in many regions in the South, have been the main culprit. At a minimum, a movement to civilize globalization requires a context in which basic political rights and freedoms are deeply institutionalized.

In the global North and some countries of the South, however, the problem today is not so much the absence of formal democratic institutions. Rather, it is the limitations of the territorial scope of sovereignty; while people's fortunes increasingly depend on transnational economic, political, and cultural interactions, legitimacy and accountability remain rooted primarily in sovereign national states. To complicate matters, national governments are constrained not only by global market forces but also by formal global rules and informal policy norms emanating from outside their borders. The majority of the world's states, no matter how democratic, wield little control over these rules and norms, and therefore find their policy autonomy severely curtailed.

Most commentators have described this tendency as the "erosion of democracy" under globalization (Cerny 1999). Some have suggested that the most effective solution is to expand democratic principles to the supranational level in the form of publicly accountable mechanisms of global governance (Held and Koenig-Archibugi 2005). An obvious place to start is to address the "democratic deficit" of international organizations such as the IMF and the WTO, which serve as platforms of transnational policy coordination. This, however, is a difficult task which is yet to succeed; it will take a great deal more to broaden direct civic participation in the making of global rules. Some scholars thus believe that

democracy and global markets might be fundamentally incompatible under the prevailing system of national states (Rodrik 2011).

Enhancing a participatory, transparent and egalitarian policy process at national and transnational levels constitutes the ultimate goal of the counter-hegemonic project; but it also represents an important means. Protest against the destructive tendencies of neoliberal globalization cannot be effectively articulated unless there are well-functioning mechanisms of civic participation nationally and, increasingly, transnationally. A civilized globalization thus denotes a global system in which there exist durable institutional tools to hold global market and policy elites accountable to the interests of the many. Another facet is effective, inclusive transnational cooperation on common problems. These issues are discussed in Part III, "Recasting Democracy and Transnational Cooperation."

- Louis W. Pauly (chapter 11) analyzes the constraints upon democratic citizenship under economic globalization, but observes on a positive note that there have emerged *ad hoc* initiatives for transnational burden-sharing since the global crisis.
- Frank Cunningham (chapter 12) offers a survey of perspectives on globalization and democracy, and calls for a left-wing social-democratic synthesis that combines elements of cosmopolitan, state-autonomist and participative approaches.
- Ali Burak Güven (chapter 13) discusses the adjustments needed in the policy prescriptions, lending framework and governance structure of the IMF and the World Bank to insure more effective global economic coordination.
- Cranford Pratt (chapter 14) calls for a humane internationalist agenda of development assistance aimed wholly at ending poverty in developing countries, and identifies strategies that citizens' groups in the North can employ to move aid policy in the direction of taking poverty seriously.

### *Re-embedding Markets in Social Norms and Regulations*

If neoliberal globalization, to revert to Polanyian terminology, is a project of disembedding markets from society at the transnational level, civilizing globalization aims to re-embed them in societally and environmentally protective norms. The problem is neither generic globalization nor market economy *per se*; it is neoliberalism's destructive tendency to subjugate social relations to the needs of increasingly integrated yet unregulated markets. The goal is thus to devise solidaristic ideologies, as well as promote the rules, regulations, and incentive

structures that subject global markets to social restrictions, though without suffocating the “animal spirits” of market-based entrepreneurship.

How can we capture the potential benefits of closer economic integration while safeguarding such values as equity, environmental sustainability, cultural diversity, financial stability, and democratic decision making? Many of the contributors to this volume advocate what might be termed a social-democratic approach to globalization (for an extended discussion, see the concluding chapter by Richard Sandbrook). This vision essentially holds that core features of the nationally bounded welfare state be extended to the global realm. Regulation of global market forces could be achieved in various ways—from enforceable social, environmental, and cultural charters to a more incremental approach that asserts the primacy of universal human rights and health and environmental standards over international or regional trade and investment agreements. International taxes or transfers that discourage harmful practices would also play a role in taming markets and redistributing income globally.

Instituting these regulations at the global level is a daunting task. Invariably, such efforts encounter fierce opposition from powerful transnational corporate interests and segments of domestic business. A further impediment is that agreements, to be effective, must be negotiated by a multitude of national governments pursuing disparate agendas and enforced through international organizations suffering from administrative weakness and legitimacy. This unfavorable context suggests that regulatory proposals to re-embed global markets should be simple and adaptive, but they should nonetheless be able to resolve complex problems in a system characterized by rigid constraints. Despite these challenges, certain chapters that comprise Part IV, “Regulating Markets for a Civilized Globalization,” report tangible progress in select issue areas over the past decade.

- Frank Hoffer (chapter 15) chronicles the evolution of the International Labour Organization’s (ILO) international labor standards initiative and formulates a detailed set of concrete proposals for wider adoption and more stringent compliance.
- Robert Lambert and Edward Webster (chapter 16) discuss the prospects for successful transnational union mobilization by examining the organization and activities of SIGTUR, a collective of trade unions in the Southern Hemisphere.
- Michelle Swenarchuk with Scott Sinclair (chapter 17) reveals practical ways in which citizen groups can assert the primacy of health and environmental protection over agreements stemming from the WTO and the North American Free Trade Agreement (NAFTA).
- Rodney R. White with Joseph Whitney (chapter 18) explores the nature and feasibility of an international (and national) transfer

scheme that rewards individuals, communities and countries that are “carbon-frugal.”

- Joy Kennedy (chapter 19) presents the case for a currency transaction tax (the “Tobin tax”) which would not only curb the speculation that fuels financial volatility and insecurity, but also generate substantial funds to attack world poverty.
- Garry Neil (chapter 20) reports on the notable achievements but also enduring limitations of an NGO-led and UNESCO-endorsed legal initiative to preserve cultural diversity from the corrosive effects of free trade agreements.

### Concluding Reflection

Certain readers may regard this book’s subtitle—a survival guide—as hyperbolic or alarmist. Yet global warming and climate change, “hot” money and the prospect of another global financial collapse, inequality, insecurity and social disintegration, and the hollowing out of democratic institutions, constitute clear and present dangers. These dangers, as Part I contends, are intimately related to global economic processes. If this is so, civilizing globalization is not only a moral imperative to create a more just world—though it surely is that. This goal is also a practical imperative, as its achievement will enhance the prospects of a livable future in the North as well as the South. In the 1970s, a campaign for a “new international economic order” foundered because the North was unpersuaded that the rich countries shared “mutual interests” with the South in building a more egalitarian world (as the highly regarded Brandt Commission argued—Report of the Independent Commission on International Development Issues 1980). But today the issue of survival, raised in the Brandt Report, has more credibility. Although this book does not provide an integrated action plan to deal with this crisis, it at least points us down the right path and highlights the issues we’ll debate in the years to come. As 100 Nobel laureates observed in a statement marking the centenary of the Nobel prize: “To survive in the world we have transformed, we must learn to think in a new way.”

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