

# Liberalism and Globalisation

Graham Watson

To all previous generations, the major political challenges have been local, national, or involving part but not all of our world. Even the so-called 'world wars' of the twentieth century left many countries untouched. Our generation no longer enjoys such a limited constituency. While it remains true, as Tip O'Neill<sup>1</sup> said, that 'all politics is local', local now sometimes means local to our global village.

The expression 'global village' was coined to demonstrate the phenomenon of globalisation. Globalisation is about a world of inter-connected communities. Technology and the spread of language learning have transformed our ability to communicate. Exploration and the trade and investment which have followed have changed our economic perspectives and practices and have vastly increased wealth. Travel has opened new horizons and opportunities for human contact undreamt of by our forebears. Yet globalisation has not come without a cost. Criminals have organised global networks to a point where internationally organised crime has grown to pose a gargantuan threat, human-driven damage to our natural environment threatens the future viability of human life on our planet, and powerlessness and alienation from government have restricted the opportunities for many individuals to employ that basic human instinct which is to develop their own abilities to improve their lot and that of their families and neighbours.

This essay looks at globalisation through the prism of liberal ideas. It does so against the background of the triumph in our generation of one world view over another, i.e. of the free or social market economy over State Socialism, which has done much to reduce armed conflict and to encourage the spread of democracy and the rule of law, the fundamentals of liberalism. It is inspired by the belief that human values are essentially the same in every community, that basic human needs and responses transcend race, religion or language-based culture. It concludes that the challenges to humankind require a new emphasis on and new approaches to global governance and that the management structures of our world must evolve to take account of this. Why? Because the communities of our world are not just inter-connected, we are interdependent. Herein lies our greatest challenge.

## Let's Talk...

Most facets of humankind's inheritance from nature appear designed to assist the survival of the species. The striking exception to this, as George Steiner<sup>2</sup> has shown, is language. Mutual incomprehension has been used by the unscrupulous throughout the ages as an incitement to hatred and conflict. Physical barriers to communication, too, have limited the exchange of ideas. Yet the spread of English and Mandarin Chinese and, to a lesser but nonetheless important extent, of Spanish - accompanied by the advent of the telephone, the recent discoveries of voice and image broadcasting and the remarkable development of the internet - have transformed humankind's ability to communicate.

A person on one side of the world can now see and talk to their counterpart on the other without setting foot outside their front door. A document can be sent from Berlin to Beijing in a nano-second. Disney and Pokemon characters appeal to children in east and west alike just as the pressures of parenthood unite their elders. Communication is now limited more by investment in networks, in hardware and in language teaching than by means of personal transport. Such investment must be a priority for liberals.

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<sup>1</sup> Congressman Tip O'Neill was Democrat Party leader and Speaker of the US House of Representatives from 1977-87.

<sup>2</sup> George Steiner is an intellectual, linguist and author, notably of *The Tower of Babel*

Triumphalism, however, must be avoided. Though few now believe that the courageous development of Esperanto could ever meet the expectations of its founders, however far-sighted in their day and age, the absence of a lingua franca remains a barrier to harmonious human relations. The demands of global governance will require vastly improved global communication, just as protection of our cultural inheritance requires us to combat the shocking decline of linguistic diversity. Much investment will be needed too in inter-cultural sensitivity. The shocking extent of racial hatred in most countries is a major barrier to peaceful communication and world development.

### **... and Work Together**

The experience of liberalism in Europe in the eighteenth, nineteenth and twentieth centuries suggests that if our world were truly a village, rather more of its wealthier members would be shocked by the misery of the poor and motivated to self sacrifice to provide for all what Ralf Dahrendorf<sup>3</sup> has called greater 'life chances'. Of the six billion human beings on our planet, half of them live on less than two euros a day and 800 million go to sleep hungry every night. Figures provided by the World Bank show that 80% of the world's population has only 20% of global GDP. Moreover, by the year 2025, population will increase by one third, with most of the two billion new citizens living in the developing world. Such conditions create instability. Even those motivated essentially by self-interest can hardly ignore James Wolfensohn's<sup>4</sup> edict that development assistance is not charity, but a vital investment in global peace and security.

The market economy, intelligently regulated, is the most powerful instrument known to humankind to promote human development. That we have not yet learned to use it properly is clear from periodic international financial crises, local environmental devastation, the unchecked spread of preventable disease and the fear, insecurity and voicelessness of millions of people. The imperative for our generation must be to regard the phenomenon of globalisation as an opportunity and to use the market economy as a tool for social inclusion.

I am not suggesting, as some on the new left appear to, that there is no longer a role for government. The failure of the developed countries to meet the United Nations' target of spending 0.7% of GDP on development aid is currently depriving the poor of 100 billion euros per annum. It is almost certainly depriving them of far more in terms of the technical assistance and capacity building which would come with the private investment stimulated by such public aid. Development assistance is not a substitute for private investment, but a catalyst. Failure to provide it suggests, as Victor Gollancz<sup>5</sup> put it so starkly, that the inhabitants of wealthy countries prefer the death of those in the developing world to their own inconvenience. As liberal philosopher J.K. Galbraith<sup>6</sup> has observed, aid will be most effective if it is targeted first and foremost to education and particularly to the education of women.

Perhaps the greatest challenge for liberals, however, is reform of trade policy. Aid and debt relief without access to first world markets can be nothing more than a palliative. Tariff barriers to primary exports from developing countries are sometimes as high as 100%, while annual agricultural subsidies in industrialised countries exceed 300 billion euros. Even with a level playing field, developing countries will find it hard to compete. Currently they find it almost impossible.

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<sup>3</sup> Ralf Dahrendorf is a Liberal philosopher, former German government minister, European Commissioner and now a Member of the House of Lords.

<sup>4</sup> James Wolfensohn is the President of the World Bank.

<sup>5</sup> Victor Gollancz was the founder of the charity War on Want.

<sup>6</sup> John Kenneth Galbraith is a Liberal philosopher, university professor and author of many works. The one referred to here is *The Good Society*.

If the grounds on which liberals must fight the right wing are those of greed and narrow self-interest, however, the so-called green movement must be actively opposed by liberals for its resistance to scientific and technological progress. As the UN human development report and similar studies consistently show, scientific advances have been the key to better nutrition, improved health and life expectancy and rising living standards in much of the developing world. Science and technology are vital tools for development, though lack of proper regulation, know-how and investment still dog attempts to employ them to best effect. While intermediate technology will remain the best route for some developing communities, others must not be starved of the full fruits of human inventiveness nor treated as a lucrative market for outdated western technology.

### **Human interchange**

A modern day Marco Polo, travelling the silk road to China, would find his route barred regularly by armed men. Piri Reis and his crew would be turned away from western European ports<sup>7</sup>. The nineteenth and twentieth century concept of the nation state tends to impede the human interchange which has so enriched our society through the ages. Fear of invasion by foreign hordes is so frequently and effectively stoked up by nationalists that leave to enter a country seems dictated as often by irrational fear as by good sense.

Yet the number of human beings seeking to move from one country to another has hardly changed. The readiness of a small proportion of people in every society to up sticks, for reasons of political asylum, individual betterment or simply extended tourism remains constant. Where immigration is not legally permitted it is nonetheless often attempted, frequently successfully and normally tolerated by the host country for reasons of the obvious economic benefits it brings.

The current western debate about immigration and asylum provides a key test for liberals in combating prejudice with prudence. The best example of policy response can be seen in Canada, where liberals' electoral success has been notable. Recognising that zero immigration is not a realistic policy option and that immigrants contribute hugely not only to their host communities but also (through remittance of money) to their countries of origin, the Canadian government has opened the 'front door' to legal immigration in order more effectively to combat the shocking new 'back door' slave trade of the illegal movement of people.

In stark contrast, Europe, Japan and the USA are still fumbling around for an effective policy response, while other less wealthy countries are left to bear the brunt of western indecision and sometimes to shoulder the burden of mass influx of people escaping famine, hunger or conflict. Yet developed countries need immigration to combat population decline. If charity and hospitality fail to dictate a more generous response from these countries, self-interest should. A significant beneficial side effect might be more effective moves to combat racial prejudice and social disadvantage of ethnic minority communities, without which citizens of wealthy countries are likely to encounter growing difficulties in a world in which caucasians are a minority.

### **International organised crime**

The failure of international cooperation is perhaps nowhere more apparent than in the phenomenon of internationally organised crime. To paraphrase Mark Twain<sup>8</sup>, the robbers are halfway round the world before the cops have got their boots on. International criminal gangs run a trade in customs fraud and in the smuggling of drugs, small arms and even weapons-grade plutonium which is highly lucrative. Sometimes they are more powerful, in their ability to

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<sup>7</sup> Marco Polo was an Italian overland adventurer, Piri Reis a Turkish sea captain and cartographer.

<sup>8</sup> Mark Twain, American author, wrote 'A lie is half way around the world before truth has got his boots on'.

control matters, than the national governments whose officials are too often bribed or terrorised into assisting them. The smuggling of people - usually, in the case of women and children, for the purposes of sexual slavery and paedophilia - is a recently discovered and particularly despicable aspect of their actions.

The United Nations Organisation and other coordinating bodies have sought to persuade governments to coordinate their responses by improving cooperation between police forces and national judiciaries. Agreements struck, however, involve too little action, too late. Lack of political will and arguments about national sovereignty hamper cooperation between crime fighters just as the absence of internationally recognised warrants for arrest, the calling of witnesses or production of evidence hamper the prosecuting authorities.

The international drug trade is believed to be worth eight percent of global GDP, the international trafficking of humans somewhere between 12 and 20 billion euros. Failure to agree effective global action against laundering of the profits and the finances of these trades through the world's financial and legal apparatuses (which is perhaps the easiest way to combat such crime) is a striking indication of the impotence of the forces of law and order. Hence the claim by national politicians facing election, that they can and will tackle crime effectively, is a lie and a sham by persons unprepared to engage in the pooling of national sovereignty necessary to protect their citizens from crime.

## **Environment**

The need for global governance is perhaps nowhere clearer, at least to western European observers, than in the protection of our natural environment. Growing evidence collected by the International Panel on Climate Change, based on shrinking ice sheets, rising sea levels, changing weather patterns, migration of plants and animals and the increasing carbon content of air tells us that climate change is making our planet warmer than at any time in the past 10,000 years. This threatens our ability to provide food, water and shelter and threatens to bring suffering disproportionately to those who make their living from the land and the seas in the tropical and sub tropical parts of Asia, Africa and Latin America. Ironically, these people are those least responsible for human induced climate change.

The challenge is mammoth and there is no time to lose. Limiting and reducing the growing volume of gases (carbon dioxide, methane, nitrous oxide and others) which human beings and nature emit into the atmosphere will require a huge and concerted effort by government at all levels in all countries. The UN Convention on climate change, through its agreements in Rio de Janeiro, Kyoto and Bonn, has made a good start. But with the world's major polluter, the USA (four percent of the world's population, 25% of global emissions), in denial and others lukewarm, perhaps only an initiative such as the global Climate Community proposed by Christopher Layton<sup>9</sup> can carry momentum forward until political opinion everywhere has recognised the imperatives of survival beyond perceived challenges in the military sphere. In return for their farsightedness, members of this climate community would gain major competitive advantages through the energy efficiencies and sustainable technologies their industries would develop.

## **Global governance**

From the Convention on International Trade in Endangered Species to the Permanent International Criminal Court for those guilty of crimes against humanity, the world community is reaching out for instruments to tackle the problems of our age. Yet it is in the failure of nation states to establish effective instruments of international government that the challenge to humankind resides. Where these have been established, nation state governments often

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<sup>9</sup> Christopher Layton is a world federalist and author of, among many works, a recent pamphlet entitled *A Global Climate Community*.

appear unwilling to admit to their citizens that power can no longer effectively be exercised in national capitals and to explain fully and canvass support for the new arrangements which are made.

Most attempts at global governance have achieved only limited consensus, have been of Heath Robinson<sup>10</sup> design and have proven inadequate to the task. Only under current Secretary General Kofi Annan has the United Nations, now some fifty years old, begun to be effective. The international financial institutions, with their poverty reduction strategies, could make a real difference if their wealthier members placed more emphasis on client involvement in action to solve problems and less on the 'Washington consensus' whereby they seek to dictate economic policies to developing country governments. Military alliances such as NATO have often been effective in delivering policies agreed by their members but, by the limited nature of their membership, have been divisive and have more frequently contributed to global discord than brought harmony.

The North American Free Trade Agreement, the Organisation of American States, the Organisation of African Unity and attempts at economic cooperation in Asia have been useful vehicles to promote regional co-operation, just as some UN specialised agencies and conventions have advanced global dialogue. But progress has been slow and piecemeal and lacks any clear global framework or effective forum for public assent.

Indisputably the best example of international governance, though hardly a shining one, is the European Union, where member states have voluntarily pooled sovereignty in a number of policy areas. Decision-making by Directive or Framework Regulation has allowed governments to respond faster to change than the laborious workings of international conventions. Scrutiny of legislation and administrative practice by the European Parliament has provided a degree of democratic legitimacy which should be the envy of many. It may be that western Europe has developed, unwittingly, a model for government on a wider scale.

The case against supranational democracy is that there does not yet exist a supranational polity, i.e. that citizens do not yet think of themselves essentially as global citizens and that, if they do, there is no consensus on any one model of government, let alone parliamentary democracy. If this is true, it is true to a far lesser degree than a generation ago. Few now believe it is possible to pull the blankets over their heads and wish that the world would go away. The onus of proof today rests on those who resist change rather than on its advocates.

Liberals point to the spread of democracy in the post-Cold War world and to growing pressure from citizens in undemocratic states for democratic government and the rule of law which extends beyond regular elections and carefully crafted legal texts. Totalitarian governments, now few in number, are increasingly the focus of organised dissent from their unenfranchised citizens and the campaign for universal judicial norms and standards spreads apace.

Yet we cannot claim a triumph for democracy in its current form. Even where national leaders have remained subject to effective democratic oversight and control by their national parliaments in matters of domestic policy, they generally evade such control over their common actions in bodies such as the G8 and the WTO. From Seattle to Prague, from Stockholm to Genoa, their actions are increasingly contested.

While violent protest remains limited to a small group of well trained, well organised and well financed anarchists, supported perhaps by those who profit from ineffective global governance, it draws support from a coalition of interests - from political opponents of capitalism to vested interests in labour unions - which opposes the leaders' common actions. Protest is joined by many who feel a growing sense of alienation from politics. Questioning the legitimacy of such

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<sup>10</sup> W. Heath Robinson, UK cartoonist, is famous for drawings depicting complicated mechanical devices for the performance of very simple tasks.

summits, the protesters contend that democratic governments are no longer relevant, that their power has been usurped or their acquiescence purchased by multi-national businesses who increasingly rule the world. Official reaction to these protests, rather than attempting to understand and counter criticism, too often appears to start from the basis that the civil liberties the protesters enjoy inspire criminality.

Failure of political leaders to connect with popular sentiment will serve only to feed it. Until, as a spokesman for Belgium's liberal led government pointed out, we have 'less technics, more politics' - in other words, until politicians regain and communicate a long term vision which transcends short term fixes - the violent protests look likely to continue. Not only must national leaders be prepared to conduct an open dialogue with the 'social fora', however, they may also need to be willing to adapt decision-making to the demands of the twenty-first century citizen who thinks both nationally and globally.

The more far-sighted representatives of what is known as 'international civil society' recognise the problems faced by national government in facing up to supranational challenges. They admit too, however, the lack of democratic legitimacy of single issue protest groups and they condemn violent protest. Slowly but surely, through a dialogue they have started with elected politicians, ideas for new forms of governance are beginning to emerge.

The dialogue ranges from the meetings of civil society which precede inter-governmental conferences to the recently established People's Assembly of the United Nations. In some policy areas it is already established - organisations such as GLOBE (Global Legislators for a Balanced Environment) have brought together lawmakers in environmental policy for nearly a decade. What is missing is an all-purpose international forum with democratic legitimacy.

Drawing on the experience of the EU in which decision making is shared between the heads of national governments (the Council) and directly elected representatives of the people, a proposal for an e-parliament, currently under discussion between politicians and pressure group representatives, seeks to link, electronically and otherwise, elected representatives from every country in a new 'earth parliament'. Though still in the gestation phase, such an assertion of universal democratic values may, in the words of American poet Walt Emerson, 'fire a shot which will ring around the world'.

Attempts at organising a supranational democratic forum may be pie-in-the-sky politics, or they may be straws in the wind. Increasingly, however, citizens are mobilising to take control of their shared global destiny. Unless the heads of state and government of our world have the vision and the commitment to democratic forms of global governance such as that shown by the founders of the EU, and the courage and skill to convince their electorates of the need for it, it will grow organically beyond their control. Such is the power of the human spirit.