Introduction

The first writer to use ‘globalisation’ in anything like its modern sense was an American academic Theodore Levitt. In 1983, he observed that all around the world people’s tastes seemed to be converging. One example he gave was of the humble washing machine: customers everywhere wanted a standard, cheap and reliable machine. The same sorts of designs dominated world markets. The future, Levitt suggested, was a world of increasingly similar, standardised commodities.

The processes Levitt described are still with us, and accelerating. Mobile phones, cheap air fares, and the internet make it ever easier to reach consumers everywhere. The latest band in Seattle will be known in London within hours of their songs being posted on YouTube. What’s true of music, art and cinema is true of everything else that is purchased. People in the richer countries can choose vegetables from central Africa, fish from Japan, clothes from China, furniture from Scandinavia. The entire world is trawled to find new goods for consumers to buy.

It is often said that developments in transport and telecommunications have resulted in the death of distance; that people everywhere share the same view of the world, united by a desire to enjoy freedom, material comfort and security. Sport, fashion and entertainment are global industries.

Yet the novelty of these processes can be exaggerated. Already in 1847, Karl Marx wrote of a ‘constantly expanding market’, chasing business ‘over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere’. (The quote was used by the World Bank to introduce its 1996 World Development Report.) Fifty years later, a handful of European nations ruled much of the world, and invested much of their wealth – perhaps a higher proportion than today – abroad.

Not all the symptoms of globalisation are healthy. Cheaper air fares, for example, make it possible for more people, especially tourists, to fly, but aircraft have become one of the fastest growing sources of carbon emissions contributing to global warming.

A potent factor in globalisation in the past half-century has been the worldwide adoption of the English language, making it ever easier for ideas to spread and for people to communicate across cultures. At the same time, however, old languages are dying out, and with them, sometimes, ways of thinking about the world. Now that everything is in our grasp, ‘everything’ seems less than it was.

Globalisation has brought with it a theory of economic development according to which prosperity is to be achieved in poorer countries by balanced budgets, free trade, open markets and the privatisation of nationalised industries. This ‘World Bank’ model has come in for much criticism, not least for leading to a reduction of spending on services such as health and education, in order to service external debt. Market forces and the dominance of money can operate to the detriment of other relationships such as family networks and social spaces. In recent years people have become more suspicious of migrants and outsiders, more worried about violence and crime.

Advancing globalisation has diminished old differences. In every country, towns look more and more alike. Shopping centres are dominated by global brands. Tests have shown that unborn babies in the womb can memorise the sounds associated with particular products – like that made on start-up by a computer running Microsoft Windows.

Globalisation is irreversible, driven by new knowledge and new technologies. These both expose the inequalities between peoples and, perhaps, offer means to address them, but in doing so are putting new strains on a planet coping with an unprecedented population explosion.

For all countries, access to key economic resources – oil, gas, minerals – has become a dominating priority. To those that own these resources – many of whom have suffered humiliation at the hands of the resource-poor West within living memory – globalisation is giving unprecedented power. Access to vital resources may in part explain recent foreign interventions by the US and Britain, notably in Iraq. The story of that conflict is still being played out.

1 see notes on page 16
The Shrinking Planet

Telecommunications and transportation systems have weakened the barriers of geography separating different peoples. Yet many cultural differences persist.

For most of human history, people’s picture of the world was determined by their immediate surroundings. There was no way of knowing what was happening on the other side of the planet. Roman civilisation had lasted for 700 years before it made its first, tentative contacts with China. Mediaeval maps show a world without America, Australia, the Arctic or the Antarctic. The first Europeans reached central Africa as recently as 1482.

The 20th century has seen a profound change. While world population has burgeoned (from 2 billion in 1930 to about 6.7 billion now), technology has brought people together. Television programmes showing life in New York or Paris are watched in Argentina, Botswana and Indonesia. Throngs of tourists visit the most remote corners of the globe. Books written in Germany or Canada are routinely printed in Spain, Hong Kong or mainland China. Components for motor cars designed in Japan may be made in a dozen different countries before being assembled in Mexico or Poland.

Wearing jeans, eating burgers and listening to rock or rap have become the habits of hundreds of millions of people across the globe.

Yet sharing common interests and buying similar products do not obliterate human peculiarities. A ‘world car’ may have the same ‘platform’, but it is sold with different shapes, colours and accessories to meet local requirements. Ownership of global media is highly concentrated, but communication is being fragmented as digital technology enables hundreds of TV channels to be beamed to different audiences with their own viewing tastes and languages.

The dominance of English as a global language has not submerged literatures written in other languages, but rather has enabled new African, Middle Eastern and Latin American novelists to become global figures.

All over the Middle East, satellite television shows British and American programmes, but has also led to the rise of new channels like Al-Jazeera, with strong news content, perceived as more independent than their English-language rivals. And while Shanghai teenagers may have much in common with their counterparts in Los Angeles, they remain distinctively Chinese, affected by their national culture, history and language. Not even globalisation could produce a planet of identical people all looking, shopping and thinking the same.

Rupert Murdoch’s News Corporation owns newspapers, film studios, TV companies, satellite channels and, most recently, internet companies, in its native Australia, the US, Europe and South America. In 1999 The Economist investigated its tax affairs and found that over the previous ten years, by exploiting loopholes in the tax laws of the different countries where its 800 subsidiaries were located, the company paid no net income tax at all. However, for the past three years, it has paid income tax of about 30% of consolidated profits, the average for the media industry. And in 2006 the company moved its HQ to New York, bringing it under, arguably, the strictest corporate governance regime in the world.
Economic Globalisation

Money is increasingly stateless. Most countries have abandoned exchange controls. Businesses of all sizes can now set up anywhere, be owned by anyone, and operate on a global basis.

The global village is closest to reality in the financial world. In London, Tokyo, New York and a few other cities, international banks, lawyers, accountants and investment funds dominate a network of 24-hour global markets in stocks, bonds, currencies, commodities and financial derivatives. The ‘products’ they trade (see below) know no borders, can involve sums larger than the budgets of medium-sized nations, and may be so complex that few insiders can understand them, never mind the clients who buy them or the regulators who try to supervise them and contain their risks.

Globalisation is more visible in manufacturing. Companies increasingly source their components and locate their factories all over the world. The white goods company Bosch owns 250 manufacturing sites in 90 different countries. General Motors (GM) owns subsidiaries manufacturing, assembling, warehousing or distributing cars, trucks and components in more that 50 countries on all five continents.

While trade has been a part of the international scene for centuries, its volume has rocketed since 1950, along with cross-border capital investment. Big business now operates on a global stage, and competition can come from the other side of the world just as easily as from a factory next door. In 2007 Toyota rivalled GM as the world’s largest car company by units sold.

In 1944, as part of the Bretton Woods negotiations, the General Agreement on Tariffs and Trade (GATT) was set up to promote fair competition and regulate international trade in manufactured goods. For the first 30 years of GATT, intellectual property rights – patents, designs, software, books and music – were ignored or rejected by developing nations, which freely copied Western ideas and designs. But in the 1980s, as these economies emerged and began to have intellectual property of their own to protect, work began on GATS (the General Agreement on Trade in Services), and TRIPS (the Agreement on Trade-Related Aspects of Intellectual Property Rights), both of which came into force in 1995. In 1994 GATT was broadened to become the World Trade Organisation (WTO), which now incorporates and administers all three agreements.

The WTO is much criticised. It is said that it mainly benefits the industrialised world. In 2006 foreign direct investment (FDI) around the world was $1.3 trillion - up from $533 billion in 1996. The biggest recipients were, however, the developed countries. Two thirds ($800.7) was invested in the European Union (EU), Japan and North America. While Africa, the ‘lost continent’, has increased greatly its trade with the outside world, not least thanks to China’s thirst for its oil and minerals, in 2006 its share of global FDI was just $18bn, or under 2%.

A high-profile campaign by doctors in Thailand and South Africa, where millions are HIV positive, has argued that an effect of TRIPS is to jeopardise cheaper, local production of anti-retroviral drugs patented by Western companies. In fact, WTO rules allow...

Global Financial Markets

Financial services in the global village are heavily concentrated in a few Organisation for Economic Co-operation and Development (OECD) countries. World stock markets were capitalised at $63 trillion in October 2007 (up from $20.1 billion in 1997), of which the New York Stock Exchange and NASDAQ alone represented $21 trillion.

The large OECD countries dominate global banking, and trade in foreign exchange, commodity futures, stocks and shares, and financial ‘derivatives’.

Derivatives are financial instruments whose value is calculated in partial reference to an underlying security: the difference between a derivative and a share is that a share is actually traded in a company, which has been sold by that company in order to raise money. A derivative, by contrast, is derived from that property: it might be the option to purchase property, or an estimate of that property’s future value.

Global derivative trades were valued at $415 trillion in 2007, (1995: $55.5 trillion).

This has led critics to describe the global financial system as ‘casino capitalism’, which has spun out of control and threatens the real economy. Electronic funds transfers have greatly increased the difficulty of controlling (and taxing) flows of money from country to country.

Whereas the World Trade Organisation provides a global regulatory body for international trade in goods and services, there is no equivalent body for the regulation of global money markets.
the poorest countries to make generic copies of patented drugs, but neither country is any longer among this group. Local production is well underway in Uganda, where infection rates have, as a result, fallen sharply.

Critics of globalisation argue that it has widened the gap between rich and poor nations, and that applying free market economics to education, health care and the arts has created a similar gap between rich and poor within the rich countries. Globalisation, they say, is based on consumerism; people are segmented by income group and what they consume. Cultural, environmental and other non-profit ‘goods’, such as education and health, tend to have a low priority or, in the developing world, to be pushed by the World Bank and IMF towards privatisation.

The time people spend at work is on the rise. In the US, for example, the average hours worked have risen from 1,779 per year in 1973 to 1,978 in 2000. The US and many other advanced countries have also witnessed a transfer of national income from wages and salaries to profits: between 2001 and 2006, the proportion of GDP going in salaries fell from 49.5% to 45%, while that of profits rose from 7% to 11%.

Defenders of globalisation dispute much of this. They argue that poverty is subjective; neither the new middle classes in India and China, and now even in Africa, nor the Westerners whose ‘poverty’ nevertheless includes a TV set and a fridge, will object to more, cheaper goods in the shops. As for profits, part goes to shareholders, among them pension funds and other forms of savings; part to research and investment, adding to national wealth and, often, to much-needed jobs in the developing world. But above all, it is wrong to attribute to globalisation the unavoidable consequences of the huge world population explosion since 1950.

The pressures of global competition may tempt some countries to protect their workers from job losses by increasing trade barriers, but this simply risks retaliation. In August 2007, when the US threatened to place tariffs on certain Chinese foods and industrial products, China responded by placing a ban on American pork containing the growth compound ractopamine.

In the short run, increasing global trade offers companies bigger risks (e.g., from exchange rates, or political upheaval) but also bigger rewards, and more opportunities to bend laws, especially those – e.g., on tax or the environment – that vary significantly between countries.

On the other hand, well publicised criticism, using all the resources of the new global media, has forced multinationals to prioritise their social responsibilities, to work more closely with governments and NGOs, and to build ‘sustainability’ into their long-term business plans. The oil company Shell, for example, was heavily criticised in the 1990s for the human and environmental damage caused by its drilling operations in Nigeria during the military dictatorship, and for its involvement in the brutal execution of the writer and activist Ken Saro-Wiwa. Since then, not just Shell but every global oil company has re-branded itself as ‘green’ and socially responsible.

In the global economy nations must learn to pool sovereignty and cooperate. For the moment, the WTO, imperfect as it may be, is the chosen forum.
Community and Conflict

The benefits of globalisation are most obvious to the better-educated and more prosperous of the world’s people. But they are a new minority, surrounded by the majority, who remain poor.

Business moves about ever more freely in the global village, and so do people. All over the world, they are leaving rural areas to live in towns. The number of cities in the world with more than 10 million inhabitants has increased from just one in 1950 to 15 today. In OECD countries almost 80% of the population live in urban areas. In 2007, for the first time in history, a majority of the world’s people lived in towns and cities.

Rapid urbanisation is happening in every developing country. New ideas spread fast in cities. In the major urban centres of even the poorest countries, there is a core of privileged people with access to television, the internet, computers, mobile phones, exotic food, foreign cars and all the other trappings of consumer wealth.

Globalisation has been accompanied by a huge increase in migration. In 2004 the US, a nation founded on freedom to travel, work and study freely throughout the Union) and, to a much smaller extent, by refugees.

Optimists hope racial divisions will diminish under the influence of globalisation. In their TV ads Coke and Pepsi show smiling multiethnic crowds, implying that the world is already united in its love of soft drinks. Teenagers have their own global culture based on fashion, pop music, sports heroes and clothes. American consumer culture is a global product.

Globalisation has been accompanied by unsettling economic changes. In 1900 agriculture employed over half the workforce, even in rapidly industrialising countries. Today, farm workers make up less than 3% of the workforce in the USA and UK, and all over the world the proportion is falling. Since 1970 the number of people working short hours for less than a living wage.

Global village - global inequality

There is little sign that the economic benefits of the global village will be evenly distributed. The income gap between rich and poor has widened over the last 50 years. The technology gap has yawned wider still.

For better or worse, labour market deregulation is now taking hold everywhere, under the impact of global competition. Even in countries with a tradition of worker protection, like Japan and France, the workplace is becoming more divisive, with a diminishing number of highly-skilled people in secure jobs, and a growing underclass of part-time, temporary or agency workers with limited rights and lower benefits. In Britain in August 2007 one company alone advertised over 350,000 vacancies for agency workers, equal to about one in 60 of all jobs in Britain. While official unemployment in the more open market economies is low, many suffer from chronic underemployment – people working short hours for less than a living wage.

Increased migration and new work patterns risk creating social tensions. Immigrants are blamed for changes in the local economy: for putting up with poor quality housing, accepting low wages, or living off benefits they allegedly haven’t earned. Fear of the foreigner seems a global phenomenon, equally evident in countries as different as America, France, Russia and South Africa.

Immigration: fact and rumour

A UK opinion poll in 2000 asked people to guess how much refugees received in benefits per week. The average estimate was £113. Yet at that time, refugees received no more than £40 per week, some of it in the form of vouchers. (And in the seven years following, many have been denied access to any benefits at all).

Another poll from 2003 asked people to estimate how many of the world’s refugees came and settled in Britain. The average guess was 23%. Britain actually took less than 2%.
Laws enacted to protect the people and environment of one country are increasingly undermined by new ‘global’ technology (e.g., electronic funds transfer) or by international agreements (e.g., on climate change), which often involve compromises in order to get consent from as many nations as possible. Organised crime has been particularly adept at exploiting the weaknesses in global law enforcement, growing much faster than most legitimate businesses plying their trade in the global village.

The legal concepts of ‘war crimes’ and ‘crimes against humanity’ were first established by the Nuremberg trials after World War II, but remained undeveloped for the next 30 years. However, in the last 20 years some crimes, at least, have come to be accepted as so outrageous that their perpetrators should be tried, no matter where they were committed.

In 1993, the UN established the first International Criminal Tribunal (ICT) to prosecute those accused of war crimes during the war in the former Yugoslavia. Then in 1998, General Pinochet, the former military dictator of Chile, went to the UK for medical treatment. A Spanish court applied for his arrest and extradition, and he was released on medical grounds and could be extradited. In the event Pinochet was not entitled to immunity, part of the duties of a head of state.

The worsening situation in Africa since 2000 is giving international law its biggest tests yet. The war in Rwanda triggered a much greater conflict in the neighbouring Congo, where the killings were perhaps five times greater. In Uganda, a vicious rebellion led by the Lord’s Resistance Army led to what has been described as the ‘worst humanitarian crisis on the planet’. This spilled over into Darfur, the Central African Republic, atrocities in another civil war have led to the addition of rape and other sexual assault to the list of indictable crimes against humanity.

The ICC was formally inaugurated in July 2002. In 2005, with 105 nations signed up, the Court began to prepare separate cases against those allegedly responsible for the crimes in Uganda, the Congo, Darfur and the Central African Republic.

That same year, 120 member nations of the UN voted to create an International Criminal Court (ICC), to prosecute persons guilty of the most serious crimes against humanity. Meanwhile, ICTs were set up to try the perpetrators of the Rwandan civil war, the war in Sierra Leone, and most recently the murder of the Lebanese Prime Minister Rafiq Hariri.

In fact, the US government has shown little enthusiasm for any sort of international criminal process. It does not recognise the ICC, and refuses to allow any of its own soldiers to be tried there for alleged crimes committed in Iraq. Instead, it detains suspected enemy combatants in detention camps in allied countries, or at Guantanamo Bay in Cuba, without any of the rights prescribed by the Geneva Convention.

The greatest opportunity to show a commitment to international law was the trial of Saddam Hussein. Plainly guilty of genocide, he could have been tried by an ICT or the ICC. Instead, the interim Iraqi administration claimed it was an internal affair. The Coalition partners, maybe worried at what might be revealed in an international tribunal about their past dealings with Saddam, readily agreed. A local tribunal was chosen, with Iraqi judges. Both verdict and sentence were known from the start. Rather than diminishing the sense that Iraq was under an unwanted foreign occupation, the trial aggravated it, and the chance to make another advance in the development of international justice was lost.
The Sharing of Sovereignty

There is more and more cooperation - and even pooled sovereignty - between states. Every country is strongly influenced by external factors beyond its own control.

It is sometimes argued that globalisation is breaking down the system of nation states upon which international relations has largely depended. Such an outcome is a very long way off, but there is certainly far more cooperation between nations than there was 50 years ago. Indeed, there is now a vast network of international organisations, at both government and non-government levels, bringing people together to work on the practical issues of living together in harmony.

While nation states remain the chief building blocks of the global system, they are by no means the only players on the scene. Chief among international organisations is the United Nations, which provides a forum for the exchange of views and has been the main coordinating centre to deal with mundane but vital rules to ensure that international mail gets delivered, that aircraft can fly across borders in safety, that food and industrial goods meet specified health and safety standards. These daily achievements of UN agencies go largely unreported.

Bearing in mind the pressures on competing nations, it is perhaps surprising that any major decisions can be made on a joint basis. That the European Union was able to agree on a majority voting system to advance the single market was an extraordinary development in international relations. The EU went even further along this path with the agreement to pursue economic and monetary union, including the use of a single currency. In the EU, at least, some sovereignty over political and economic matters has been ceded by all the 27 member states.

Other bodies which tie Europe’s nations closer together include the European Free Trade Association, the Western European Union, the Council of Europe and the Organisation for Security and Cooperation in Europe. NATO provides a military alliance which links the US and Canada with Europe, and talks have envisaged a free trade area embracing both the European Union and North America.

Even the superpower US has relinquished some of its sovereignty by, for example...
example, joining the World Trade Organisation and agreeing to abide by its rules. It will be interesting to see how often the WTO’s dispute settlement procedures are called into play over the next decade and whether major economic powers can be made to toe the line, even when it hurts their domestic business interests. American support is vital if multinational institutions are to work. Yet despite having been closely involved in the negotiations – lobbying hard from the inside to have the proposal watered down – the US opposed the UN’s decision in 1998 to establish an International Criminal Court. There has been a similar resistance by the US to other international treaties, for example those intending to limit global carbon emissions.

The UN has secured over 300 international treaties since 1945. Most countries have agreed to overriding global laws dealing with such matters as offshore territorial rights, marine pollution, international trade and nuclear proliferation.

The European Union provides the world’s most prominent example of shared sovereignty. Since 1957, the EU has been engaged in an ambitious programme for “ever closer union among the peoples of Europe”. EU directives take precedence over the national laws of the 27 member states. Though efforts to develop a common approach to foreign policy have so far failed, most of western and eastern Europe has become a closely integrated economic area, with strong political ties and, in most countries (although not Britain), a single currency. The Social Chapter lays down broad principles for employee rights, while the EU has led the world in many areas of environmental law.

The world’s two other main trading blocs, NAFTA and APEC, are not remotely like the EU in terms of political integration and have few of the EU’s supranational rules on social and environmental protection.

### International governmental organisations

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<th>Organisation</th>
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<tr>
<td><strong>Food and Agriculture Organisation (FAO)</strong></td>
<td>agricultural development</td>
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<td><strong>Intergovernmental Panel on Climate Change (IPCC)</strong></td>
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<td><strong>International Civil Aviation Organisation (ICAO)</strong></td>
<td>cross-border standards and practices for passenger and freight air traffic</td>
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<td><strong>International Labour Organisation (ILO)</strong></td>
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<td><strong>International Telecommunication Union (ITU)</strong></td>
<td>cross-border telephony, etc.</td>
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<td><strong>Unctad</strong></td>
<td>trade issues relating to developing countries</td>
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<td><strong>Unido</strong></td>
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<td><strong>Universal Postal Union (UPU)</strong></td>
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<td><strong>World Food Programme (WFP)</strong></td>
<td>food aid for poor countries</td>
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<td><strong>World Health Organisation (WHO)</strong></td>
<td>“health for all”</td>
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<tr>
<td><strong>World Meteorological Organisation (WMO)</strong></td>
<td>weather forecasting and data collection worldwide</td>
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<tr>
<td><strong>International Monetary Fund (IMF)</strong></td>
<td>short-term loans to countries with balance of payments difficulties</td>
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<td><strong>World Bank</strong></td>
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<td><strong>International Atomic Energy Agency (IAEA)</strong></td>
<td>atomic energy and nuclear weapons proliferation</td>
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<tr>
<td><strong>International Criminal Court</strong></td>
<td>new UN body established to try war crimes</td>
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<th>Other intergovernmental organisations and their responsibilities</th>
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<td><strong>World Trade Organisation</strong></td>
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<td><strong>Customs Cooperation Council</strong></td>
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<td><strong>Organisation for Economic Cooperation and Development (OECD)</strong></td>
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<td><strong>European Union</strong></td>
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<td><strong>Group of Seven (G7)</strong></td>
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There are dozens of intergovernmental organisations for regional security (NATO, OSCE, etc.), trade (NAFTA, APEC, Mercosur, etc.) and mutual cooperation (Commonwealth of Independent States (CIS), Organisation of African Unity (OAU), Organisation of American States (OAS), Association of South East Asian Nations (ASEAN), etc.). The Organisation of the Islamic Conference (OIC) brings together in January every year representatives of 56 states with Islamic populations. The Commonwealth provides a forum for 53 countries, most of which were formerly part of the British Empire. The International Telecommunications Satellite Organisation (Intelsat), with over 140 member states, and the International Maritime Satellite Organisation (Inmarsat), with 87 member states, are cooperatives with global satellite coverage, providing television, telephone and data distribution services.

The World Economic Forum, held annually in Davos, Switzerland, brings business leaders and politicians together to discuss global economic issues.
Western multinationals dominate the world’s 100 largest companies, ranked by revenues. They vary greatly. Wal-Mart has revenues six times greater than the 100th company, and 18 times the number of employees as Exxon, second in the list. Gazprom, the Russian energy group, has revenues less than 25% of Exxon’s, but employs four times as many people. Oil and finance companies dominate the list. Most of the 100 are already truly global, with subsidiaries on several continents, and websites which all declare the same, no doubt sincere, commitments to high environmental and labour standards.

Of the 16 Asian companies in the list, nine are Japanese, and three Korean. From the emerging nations, there are two Chinese multinationals (both oil), one Indian (Mittal Steel), one Russian (Gazprom), one Brazilian (Petrobras) and one Mexican (Pemex). Apart from Mittal they are all state-owned, which can hinder their global expansion. In 2005, when the China National Offshore Oil Corporation tried to buy a Californian oil company (UNOCAL), the outcry in the United States was so great that it had to withdraw.

In the banking crisis of late 2007, several US banks turned to Asian sovereign wealth funds (SWFs) for investments to repair their balance sheets. While western banks remain weak, their governments are unlikely to oppose investment by SWFs, despite distrust of the intentions of the states that own them. By the time the banking crisis is resolved, however, global financial power may have shifted decisively to Asia.
Tourism in Europe has grown sharply in the past decade, boosted by the liberalisation of European airspace in the 1990s, and the arrival of the first low-cost airlines. These were modelled on the success of low-cost airlines in the USA, principally South-West Airlines, which carries over 100m passengers per year. Not all were successful. In 1998 British Airways started its own low-cost airline, Go, but sold it to EasyJet five years later. Now BA and other mainstream airlines offer competitive low fares on their regular European flights. Meanwhile, new low-cost airlines are appearing all over the world, notably in China and India. Interestingly, the total number of all world flights actually declined slightly in 2006, while carrying more passengers, thanks to the new, more efficient aircraft brought into service by the new airlines.

While the US was only third in the list of visitors, its income from tourism was much the largest. A weak dollar has made shopping in New York and holidays in Florida very cheap for Europeans.

These figures do not include all those who study foreign languages. In the case of English, the British Council, in a 2006 report English Next, estimated that by 2010 some 2 billion people would be studying English, and over 3 billion people in all would be speaking it. The report concluded that just because English has become global, teaching and learning it as a foreign language (EFL) will decline, and learning other languages, such as Spanish and Mandarin, will become more important. In fact EFL is already declining slightly, while Spanish has been increasing sharply. The number of Mandarin learners, however, remains tiny by comparison.

Some 6900 languages are known to exist around the world. The number is not exact, because the definition of a distinct language is disputed. However, at least 500 are about to disappear, being unsuited to the global world, spoken by too few people, and not passed on to the younger generation. Existing languages vary enormously in richness and content. English has a vocabulary of some half-million words; the ‘smallest’ language, Taki Taki in Suriname, only 340 words. The Khmer language of Cambodia has an alphabet of 74 letters; Rotokas, spoken by some 4000 inhabitants of Papua New Guinea, has only 12. The UN’s Universal Declaration of Human Rights has been translated into 321 languages; the complete Bible into nearly 400 languages, according to the International Bible Society.
Common Human Concerns

Worries about poverty, human rights and the environment bring people from many nations together. But agreement on decisive action is hard to come by.

Both within individual cities and across continents, the rich live side-by-side with the poor - often in semi-fortress conditions. The tensions this creates can make the global village an uncomfortable place. Development aid alleviates some of the worst inequities but makes little impact on the core problems of global poverty, injustice, economic disparity and environmental degradation.

Patterns of aid partly reflect the historical and geographical interests of the donors rather than the needs of the recipients. Thus Japan is especially generous to its neighbours in the Far East, while Germany is a major donor to the former communist bloc. Only about a third of the OECD’s aid to developing countries and the ex-communist ‘transition economies’ comes without strings attached. Much of the rest takes the form of loans to be paid back at market rates.

Tied aid may involve commitments to purchase goods from specific countries, and may turn out to be a good investment for the donor. As the US government itself points out, “The principal beneficiary of America’s foreign assistance programs has always been the United States”. Close to 80% of USAID’s grants go directly to American firms. Yet opinion polls in the 1990s found that barely half of US citizens supported foreign aid. In 2004, the US accounted for about 12.5% of all official economic aid in the world (down from almost 63% in 1956). And the total of all foreign aid to the developing world is little more than a sixth of the $350 billion a year that Americans spend on leisure and entertainment.

Private donors in the US give money on a lavish scale. Private charitable donations are strongly encouraged by the state in a tax system which makes them fully tax-deductible. In 2006 the largest private donor in the world, the Bill and Melinda Gates Foundation, approved $3.3 billion in grants, some 70% for projects connected with global health and development.

Mounting public awareness of social and environmental problems across the world has led to a proliferation of private and semi-official organisations whose mission is to alleviate human suffering in the global village. The Red Cross/Red Crescent movement, whose origins go back to 1859, is the world’s largest humanitarian network. The US government even allows the Red Cross to purchase goods from specific countries, and may turn out to be a good investment for the donor. As the US government itself points out, “The principal beneficiary of America’s foreign assistance programs has always been the United States”. Close to 80% of USAID’s grants go directly to American firms. Yet opinion polls in the 1990s found that barely half of US citizens supported foreign aid. In 2004, the US accounted for about 12.5% of all official economic aid in the world (down from almost 63% in 1956). And the total of all foreign aid to the developing world is little more than a sixth of the $350 billion a year that Americans spend on leisure and entertainment.

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Aid has fluctuated in recent years. From over $60bn in 1996, it dropped to $52.4bn in 2001, then rose to some $63bn in 2004/5. On the face of it, these seem huge sums but they pale beside the accumulated external debt of the third world countries, which by 2004 amounted to $375bn.

A moral argument rages over much of this debt. By 2006 Indonesia alone owed $140bn, close to 40% of its GNP. A big part of the debt relates to loans to the regime of the former dictator Suharto. That regime was supported and armed by the West. The loans paid for weapons it used to keep itself in power. Meanwhile much of the aid Indonesia received was siphoned off by Suharto himself and members of the regime and their families. Such loans form a big part of third world debts.

As the poorest countries struggle to service their debts, repayments have regularly exceeded income from exports and aid. The poorest citizens of the global village have been transferring wealth back to the richest. In 2005, campaigners all over the world
took part in the Live8 events designed to highlight world poverty. A central demand was that the IMF and World Bank should write off the most ‘odious’ debts. A Heavily Indebted Poor Countries (HIPC) debt relief programme has in fact been in place since 1996 and was enhanced in 2006. Its aim is to lower the burden of debt servicing in the debtor countries to an affordable level and to reduce poverty. At the end of 2006, $106 bn of debt relief had been committed, but only $36 bn cancelled. No country had its debts written off in full. The most generous offer for the rest was that repayments would be paused for three years; and even these concessions were tied to reductions in social spending.

The Universal Declaration of Human Rights, agreed by the General Assembly of the UN in 1948, though often ignored in practice, has been a cornerstone of international diplomacy, and some 130 nations have signed up to its associated conventions. Since the 1960s, concern over environmental degradation has given birth to global NGOs and heavyweight intergovernmental bodies. In recent years Conventions on Biodiversity and Climate Change have secured wide political support, and protests against the social impact of economic globalisation have also gathered strength.

The most important treaty so far to deal with global warming is the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which assigns mandatory limits on the signatory nations to the emission of greenhouse gases. As of December 2007, 173 countries and other governmental entities had ratified the agreement. Of the major countries, only the United States refuses to sign.

Globalisation is seen by many people as a negative force. Subscribers to ‘neo-liberal’ economics take a more positive view. Economists such as Milton Friedman and Frederick Hayek have argued that there are only two ways by which scarce resources can be distributed, either the state or by the market. The market is more efficient because it allows consumers to shop around until a balance is achieved between supply and demand. What applies to consumption, also applies to production. If wages are too low, workers can choose the employer who will pay most. If wages are too high, unemployment will force down the prices of first wages then commodities. The market presents people with choices. It makes them free. Globalisation merely accentuates this process, enabling consumers to trade across borders, and prices to be reduced by global competition. They point to the fact that multinational companies like Exxon, Shell, and GM do much more to redistribute wealth, by their investments, by local employment, by paying taxes, than all NGOs combined.

‘Sceptics’ respond that the activities of these companies are an obstacle to genuine free trade. They tend to form alliances, or merge, in order to dominate key markets. Also, even after two decades of globalisation, third world produce and goods are often still excluded or priced out of first world markets. This ‘managed’ trade magnifies rather than reduces inequality.

Other critics, ‘pessimists’, observe that markets are based on ‘negative’ freedoms: such as the freedom from taxes or from other interference by government. But ‘positive’ freedoms are as or more important: such as the freedom to live well, or to receive a good education. Neo-liberal economics does not distinguish between the two – it is a very limited idea of freedom.
A Worldwide Web of Media Ownership

Telecommunications and electronics are transforming global media, merging TV, telephone and computer networks, creating new business empires and destroying some old ones.

Until the 1980s telecommunications in most countries were dominated by national, often state-owned, organisations. Then followed a global move towards privatisation, boosted by an agreement in 1997 by 69 WTO countries (representing 90% of the world market) to open telecoms to foreign competition and participation.

In the last ten years large companies have scrambled to adapt to a fast-changing environment, competing to buy every new start-up with a bright idea, hoping to find the next Google. The ‘paperless society’ and ‘teleworking’, though long predicted, have made little impact. On the other hand, the mobile phone is not just replacing fixed-line telephony in the first world; it is also connecting people across regions of the world where fixed lines were never possible. And traditional phone companies are threatened by new technologies and new businesses like Skype, offering free phone calling and other services via the internet.

The modern-day internet was largely developed by Tim Berners-Lee, a scientist who had worked at CERN, the world’s largest particle physics laboratory. He wanted to make research available across networks of computers. This required both a standard format for the documents – provided by the HyperText Mark-up Language (html) – and rules for sending and receiving these documents between computers of many different kinds – the HyperText Transfer Protocol (http). Berners-Lee made his work freely available to all, with no patents or royalties. In less than 20 years, the internet has transformed large areas of commerce, scientific research, academic study and entertainment. By the end of 2006 there were over 1.25 billion internet users. In Europe and the Americas well over one third of the population was online. In 2005, an estimated $15bn was spent on global internet advertising.

From the start, the potential of the internet fuelled a stock market frenzy. The value of companies rose out of all proportion to their actual business. In 1998, for example, Amazon made a loss of $124.5m, yet its stock market value was $30bn. Inevitably, a crash followed. In the year following March 2000, new technology shares on the American stock market fell by 40%. But in 2005 values began rising again as ‘web 2.0’ arrived, with new applications: targeted search, social networking, global mapping, ever more sophisticated gaming, distance learning and, perhaps most potent of all, new software to link together 1000s of volunteers’ PCs across the world, creating the previously unimaginable computing power needed to master such things as weather forecasting.

The internet provides new ways for ordinary people to resist aspects of...
globalisation. As far back as 1997, following the sacking of 500 dockers in Liverpool, two international strikes were coordinated over the internet. In January, there were picket lines in America, Australia and New Zealand, and demonstrations in Switzerland, Mexico and elsewhere. In September longshore workers closed all west coast ports from Alaska to Los Angeles, with other simultaneous action in Japan, South Africa and around the world. Protest movements against globalisation, not least at G7 meetings, have regularly been organised online.

In 2000, the conflict between Israel and the Palestinians also went online. In one instance, Israeli hackers defaced various Palestinian web sites, including those of Hizbullah and Hamas. In another, a Palestinian group posted a database online with personal information on 700 members of the American Israeli Public Affairs Committee (AIPAC). Internet propaganda, and the disabling of web sites, have since been features of the wars in Afghanistan, Iraq and Lebanon. But if the future lies with the internet, in 2007 ‘old-style’ TV was still the dominant global medium, especially in rural areas and the poorer regions of the world. News Corporation (latest reported revenues $28bn) owns a global satellite network as well as big stakes in newspapers, films and book publishing. It has major shares of TV markets in Australia, the UK, and strategic alliances with TV companies in Latin America. In late 2007 it became a force in business journalism with the takeover of the Wall Street Journal. Time Warner (2006 revenues $43.6bn) and Disney ($34.2bn) are both even bigger. Time Warner owns CNN, Time magazine, Warner film studios and broadcasting, publishing and entertainment businesses worldwide. Disney gets a third of its income from broadcasting.

The world’s top newspapers and TV companies all have their own teams of foreign correspondents, but much global news reporting is provided by four agencies: Reuters (a UK company, but planning to merge later in 2008 with Canada’s Thomson media group, if EU regulators allow), Associated Press and United Press (US), and Agence France Presse. A handful of Hollywood studios, no longer all American-owned (see below), dominate the world market for films. India and East Asia have large indigenous film industries, but their movies still have limited, though growing, export markets. Hollywood blockbusters are distributed all over the world, both helped by, and reinforcing the rise of, English as a global language.

For a long time movies have been used for ‘product placement’, promoting particular brands of cigarette, wristwatch, soft drink or motor car, such as James Bond’s iconic Aston Martin. Nowadays big-budget films are themselves treated as brands, promoting and promoted by, a wide range of spin-off products, e.g., the Pirates of the Caribbean ride at Walt Disney World, Bratz dolls, Transformers toys. Some parts of the media are struggling to cope with globalisation. The music industry was dominated for years by large corporations - PolyGram, Time Warner, Sony, EMI and Bertelsmann. But having fought a long, losing battle against the internet and the illegal downloading of its most lucrative products, the industry is having painfully to reinvent itself.

Radio, too, is changing. In 1997 some journalists at the BBC World Service left to set up Al-Jazeera, a station now trusted by many as the more independent source of news in the Arab world. The BBC World Service itself is starting to move its African programming out of London and into each country, localising its programmes as it does so. Radio’s future looks increasingly as a local medium, with stations springing up all over the world, each catering to its own specialist audience.

Ownership of new and old media in the US is dominated by eight big companies: Disney, Time Warner, Viacom, General Electric (owner of NBC), News Corporation, Yahoo!, Microsoft, and Google. Adding Sony (Columbia and TriStar Pictures and major recording interests), Vivendi (Universal film and music interests), and the German Bertelsmann group, gives eleven companies that dominate much of the world’s media. CNN plays in 212 countries, with a claimed daily global audience of one billion.

Even so, competition in the media is fierce. New technologies in printing, TV and radio broadcasting and, above all, the internet, have dramatically lowered the cost of entry for new start-ups. These developments are allowing a variety of dissenting views to penetrate even those countries where the state still tries, not very successfully, to monopolise its media channels.

### Hours of TV watched, per person per week: top ten countries, 2005

<table>
<thead>
<tr>
<th>Country</th>
<th>Hours of TV watched</th>
</tr>
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<tbody>
<tr>
<td>1. Thailand</td>
<td>22.4</td>
</tr>
<tr>
<td>2. Philippines</td>
<td>21.0</td>
</tr>
<tr>
<td>3. Egypt</td>
<td>20.9</td>
</tr>
<tr>
<td>4. Turkey</td>
<td>20.2</td>
</tr>
<tr>
<td>5. Indonesia</td>
<td>19.7</td>
</tr>
<tr>
<td>6. United States</td>
<td>19.0</td>
</tr>
<tr>
<td>7. Taiwan</td>
<td>18.9</td>
</tr>
<tr>
<td>8. Brazil</td>
<td>18.4</td>
</tr>
<tr>
<td>9. United Kingdom</td>
<td>18.0</td>
</tr>
<tr>
<td>10. Japan</td>
<td>17.9</td>
</tr>
</tbody>
</table>

### Change in percentage of population owning a computer

<table>
<thead>
<tr>
<th>Selected Countries, 2007, 2002</th>
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</thead>
<tbody>
<tr>
<td>S Korea</td>
</tr>
<tr>
<td>United States</td>
</tr>
<tr>
<td>UK</td>
</tr>
<tr>
<td>Poland</td>
</tr>
<tr>
<td>Ukraine</td>
</tr>
<tr>
<td>Brazil</td>
</tr>
<tr>
<td>Russia</td>
</tr>
<tr>
<td>South Africa</td>
</tr>
<tr>
<td>Ghana</td>
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<tr>
<td>Bangladesh</td>
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<tr>
<td>Uganda</td>
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</tbody>
</table>

Converging or Diverging?

Tourism, transport and telecommunications have brought the world closer together, but new cultures are being created as fast as old ones disappear.

Power over information and communications has always been confined to elites. Today, ownership of the new technologies is still heavily concentrated in a few first-world countries. The new media, especially computers and the internet, are giving ordinary citizens in those countries access to more information – about their government, environment, health and every other aspect of their lives – than ever before. Optimists argue that the result will be better education, more opportunity and stronger democracy.

Since 1945 it has been taken for granted that the world’s poorer countries would ‘develop’ following the western model, and that international aid policy should be geared to this end. One of the most pervasive arguments has been that of the economist W. W. Rostow, who predicted in the 1950s that all societies would at some point follow the same economic stages: from traditional society to ‘take-off’, and then to modern consumer society.

The success of some Asian countries, notably Japan in the 1950s and South Korea in the 1980s, lent weight to this thesis. The IMF and the World Bank have argued consistently that countries afflicted with high levels of poverty, disease and deprivation can improve their living standards by adopting neoliberal economic management.

The governing elites of almost all states have come to accept that free markets, combined with strict monetary discipline, offer the best path to improving living standards. Country after country has adopted a World Bank-driven ‘structural adjustment programme’ in an effort to achieve economic success.

Many developing states have, so far at least, failed to catch up the wealthy ‘establishment’ of North America and Western Europe. Yet some are on the way. The first were the so-called Tiger economies of Asia – Japan, Hong Kong, Taiwan, South Korea, Thailand and Singapore. More recently it has been Brazil, Chile, Indonesia, Vietnam, Russia and, above all, India and China. True, most have experienced financial crises. In 1990, Japan went into a recession which lasted 15 years. In 1998, GDP fell by 13.1 percent in Indonesia, 10.8 percent in Thailand, and 6.7 percent in South Korea, where unemployment rose fourfold. Poverty doubled in Indonesia. But ten years later they have almost all resumed healthy growth.

Not every country has embraced the new economics wholeheartedly. Russia, still smarting from its cold-war ‘defeat’, has had nine years of steady growth, averaging nearly 7% per year, and poverty has declined. Burgeoning

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### Rich and Poor (GDP per capita)

<table>
<thead>
<tr>
<th>Country</th>
<th>Position in full global list</th>
<th>Population (millions)</th>
<th>GDP per capita $US PPP</th>
<th>Life expectancy</th>
<th>Deaths from AIDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 USA</td>
<td>46</td>
<td>301.3</td>
<td>46,000</td>
<td>78.0</td>
<td>17,011</td>
</tr>
<tr>
<td>34 Japan</td>
<td>127.4</td>
<td>35,800</td>
<td>82.0</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>78 Russia</td>
<td>141.4</td>
<td>14,600</td>
<td>65.9</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>83 Argentina</td>
<td>40.3</td>
<td>13,000</td>
<td>76.3</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>87 Iran</td>
<td>65.4</td>
<td>12,500</td>
<td>70.6</td>
<td>1,600</td>
<td></td>
</tr>
<tr>
<td>95 South Africa</td>
<td>44.0</td>
<td>10,600</td>
<td>42.5</td>
<td>370,000</td>
<td></td>
</tr>
<tr>
<td>99 Brazil</td>
<td>190.0</td>
<td>9,700</td>
<td>72.2</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>131 China</td>
<td>132.18</td>
<td>5,300</td>
<td>72.9</td>
<td>44,000</td>
<td></td>
</tr>
<tr>
<td>166 India</td>
<td>1130.0</td>
<td>2,700</td>
<td>68.6</td>
<td>(2001) 310,000</td>
<td></td>
</tr>
<tr>
<td>230 Congo (Democratic Republic of)</td>
<td>65.8</td>
<td>300</td>
<td>57.2</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>36 European Union (27)</td>
<td>490.4</td>
<td>32,900*</td>
<td>78.7</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

*Per capita GDP of EU member countries varies widely, from Romania ($11,100), via Poland ($16,2000), the UK ($35,300), to Ireland ($45,600). Source: CIA Factbook 2007
income from oil and gas has been used to pay off debts to the IMF and Paris Club countries who helped it out of a financial crisis in 1998. But a big gap has opened up between the major cities, full of smart cars and bulging shops, and the vast countryside. Its legal system remains weak, and a few people with the right political connections have taken advantage of the sudden collapse of communism to make themselves extremely rich.

Under pressure from the IFIs, free market economics were widely applied in Africa in the 1990s. Critics often blame this for the slow economic progress and continuing poverty, but there are other factors. In South Africa, 5.3 million people are HIV-positive, and life expectancy is a crippling 20-30 years less than in other emerging nations. Also, the inflow of refugees from Zimbabwe and the Congo has added to already severe pressures on housing and social services, while President Mbeki’s unorthodox views on HIV/AIDS. Nevertheless South Africa have hindered measures to deal with President Mbeki’s unorthodox views on HIV/AIDS. Nevertheless South Africa achieved growth of over 5% in 2007.

Many African countries are beset by the land question. Most have rejected Mugabe’s policy in Zimbabwe of simply seizing White-owned land, and are looking for a better, legal way. Since 2003, growth has picked up in several countries, boosted by Chinese and world demand for their plentiful minerals, but the lot of all but elite minorities within the black populations has so far improved very little.

The big success story of the past 30 years has, of course, been China, with annual growth of over 9%. For most of this time success has depended on the country’s vast reserves of cheap labour. The huge, dilapidated industries located in the remote interior by the old communist regime were closed down. New factories sprang up around the coasts to feed export markets, and more than 300m people migrated to the towns, where the sheer numbers have kept wages low. Chinese manufacturers now dominate world markets for many low-tech, labour-intensive mass-market products.

China is now the second largest economy in the world. Western companies have responded by building their own factories there, often with Chinese partners. Wal-Mart, for example, employs 40,000 people in China, and exports goods worth $9bn each year from its Chinese factories. Up to 40% of GDP is the result of FDI, much of it from expatriate Chinese businesses.

China’s dramatic growth cannot continue indefinitely. Thanks to its ‘one child’ policy, it is a fast ageing society. Unskilled labour is still plentiful but skilled people are less so, and salaries are rising fast. China has huge environmental problems. Dealing with pollution, CO2 emissions, and the ecological damage done by dam-building and diversion of rivers will absorb resources and impose much higher costs on future development. Lack of housing and other social amenities means that shortages of even unskilled labour are forcing up wages in some regions.

The rise of China is having a dramatic impact globally. Partly thanks to an artificially low exchange rate for the renminbi, it generated a trade surplus of US$180bn in 2006. China now has the world’s third largest currency reserves, at US$ 390bn. But commodity prices, having fallen for thirty years, are now rising. The price of copper, for example, doubled in 2007. For Zambian copper miners that is an undoubted blessing. For the first time in decades, investment in education and transport is increasing in Zambia. But for clothes manufacturers in South Africa, the global power of the Chinese economy is a curse, offering products of equal standard at much lower prices. Semi-skilled jobs, like those producing Western-style mass market jeans and trainers, are in decline.

Globalisation cannot be reversed and people everywhere feel threatened. World population doubled in the 20th century, and is forecast to reach 9bn by 2050. Refugees, economic migrants, mass tourism and insensitive financial and economic prescriptions by the IFIs have all created tensions in previously settled societies.

Nor is it just about economics. A sudden influx of people with different customs and beliefs can drain meaning from local traditions – for example, when local festivals and ceremonies are performed as a show for foreign visitors. Small wonder so many people everywhere think their world is being reshaped according to alien values.

Three Gorges Dam

Work on the biggest hydroelectric scheme in the world began in 1993. When finished in 2009 the dam will be 185 metres high and 2.3km wide, its reservoir 360km long. It should provide nearly 10% of China’s electricity, reducing the number of coal-fired power stations needed to fuel its breakneck growth. Just as important, the dam is intended to protect an area of 1.5m hectares, home to some 15m people, where frequent flooding has taken the lives of thousands.

However the price is very high. Scores of towns and villages have been submerged. An estimated 4m people will have been displaced by the time the dam is finished, most without enough compensation to rebuild their lives. The reservoir water is polluted with upstream toxic waste; the surrounding hillsides are slipping, making surviving houses unsafe. Much of this was predicted from the start, and the World Bank, scarred by past criticism, declined to support the project. Not so most European countries, unable to resist the mouthwatering contracts.
Additional Notes

1 The World Bank and the IMF (the IFIs)
The World Bank Group comprises five separate organisations: the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and, separately, the International Centre for the Settlement of Investment Disputes (ICSID). The first four provide various types of loans and other assistance to developing countries. At December 2007 the IBRD had 186 member states, the ICSID 143.

The IMF has 185 members: only North Korea, Cuba, Andorra, Monaco, Liechtenstein, Tuvalu and Nauru have not joined. Its purpose is to foster ‘global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth’. By convention the president of the World Bank is an American, the managing director a European; these positions are reversed in the IMF. The US is the largest financial contributor to both organisations.

The IFIs have been heavily criticised for imposing on developing countries neo-liberal economic policies that prioritised free markets, balanced budgets, reducing subsidies, and eliminating corruption, over urgently needed spending on social services. While there have been some notable successes, e.g., in literacy and life expectancy, there have also been failures, especially in Africa. With half the world still living on less than $2 a day, the IFIs have now set a target of halving poverty by 2015.

2 GATT and the WTO
After 1947, rules for international trade were negotiated by member states in the General Agreement on Tariffs and Trade (GATT). For over 40 years, GATT remained a set of unregulated international trading rules, negotiated in ‘rounds’ each lasting several years. The last of these, the Uruguay Round, established the World Trade Organisation, based in Geneva, to manage the negotiations and act as a regulatory authority for global trade in both merchandise and intellectual property. The current ‘Doha round’ named after the city in Qatar where it began in 2001, is bogged down in acrimony over agricultural issues, especially US and EC subsidies, and better access for third world produce to Western markets.

China joined the WTO in December 2001, after revising more than 2300 domestic laws and regulations that did not conform to WTO rules, and annulling 220 others. By 2007, the WTO had 151 member states. It is one of the few major world institutions the US has joined. In recent years its remit has been extended to include standards for worker protection and environmental sustainability.

3 International Criminal Tribunals and the International Criminal Court
For 40 years after the Nuremberg trials the responsibility for prosecuting war criminals lay with the UN Security Council. Little was done until 1993, when the first ICT was set up to prosecute those accused of war crimes in the former Yugoslavia, incidentally establishing that such crimes could be committed in civil wars, as well as wars between states.

The ICC, which is independent of the UN, is based at The Hague in the Netherlands. It has jurisdiction over crimes of genocide, crimes against humanity, war crimes, and crimes of aggression, committed by persons anywhere within the territories of the 105 signatory states. However, it is a court of last resort, designed to exercise its jurisdiction only when national courts are unwilling or unable to investigate or prosecute. The US, having helped to draft much of the treaty that created the Court, voted against its establishment, and refuses to submit its citizens, military or civilian, to its jurisdiction, arguing among other things, that the Court dilutes UN powers and has no mechanism to prevent politicised verdicts against US personnel.

4 UN General Assembly
The General Assembly meets every year from September to December, while its working committees are in permanent session. Thousands of diplomats and officials from all 192 UN member states work on General Assembly business. Each year the Assembly makes several hundred ‘resolutions’ calling upon member states to take action to improve human rights, international law, ecological protection, etc. Such resolutions have moral force (unless converted into formal international treaties). Only the Security Council can issue mandatory directions to member states (e.g., on economic sanctions).

5 The Council of Europe and the EU
The Treaty of London setting up the Council of Europe was signed on May 5th 1949 by ten states: Belgium, Denmark, France, Ireland, Italy, Luxembourg, the Netherlands, Norway, Sweden and the United Kingdom. Its remit was to promote democracy, human rights and the rule of law. It has always had a wider membership than the European Union, e.g., Turkey joined in August 1949. There are now 47 members, including all the European states of the ex Soviet Union.

In 1951, as reconstruction of postwar Europe progressed, six countries, France, (Western) Germany, Italy, Belgium, Netherlands and Luxembourg set up the European Coal and Steel Community, which soon broadened into the European Common Market and then the European Union (EU). Today, with 27 member states, most of which have adopted, or plan to adopt, the Euro – and despite much criticism of its undoubtedly faults – the EU is viewed by much of the world as a model for a new world order in which nation states cede some of their sovereignty to supra-national institutions better able to mediate the problems posed by globalisation. The African Union is explicitly modelled on the EU, and other regions are planning something similar.

6 Organisation for Security and Cooperation in Europe
The OSCE, created in 1990 at the Paris conference which formally recognised the end of the Cold War, had its origins in the Helsinki Final Act of 1975. Now with 55 participating nations (including NATO members and former members of the Soviet bloc), plus a number of observer nations, the OSCE seeks to build confidence and understanding among east and west European nations.

7 NAFTA and APEC
The North American Free Trade Agreement, effective since 1994, provides for free trade between Canada, Mexico and the US. It is not concerned with social, political or environmental matters. Nor is the Asia-Pacific Economic Cooperation trading group (APEC), which comprises 21 countries around the Pacific Rim (including the US, Japan and China), which together account for more than half of global trade. The Association of South East Asian Nations (ASEAN) has, like NAFTA, created a free trade area, but again without sacrificing the political sovereignty of member states.

8 Land in Africa
In colonial Africa, land was very unfairly shared. In Zimbabwe, for example, 275,000 white settlers owned half the land, including all the fertile areas and all the towns. Five million blacks shared the rest, often without proper legal tenure. In Kenya, 1,000 white farmers occupied 8 million acres of the best land. This injustice, which African governments are still trying to address, has had damaging political and social consequences, in several countries stoking up violent tribal rivalries. Without clear title to productive land, the vast majority of blacks have been unable to raise the finance to build houses, modernise farms or start businesses. Past IFI remedies – cash crops for export and financial ‘good housekeeping’ – tended to increase the hardship. International aid has never reached promised targets, and focuses on immediate needs – e.g., water wells, schools – that can only slowly help to create modern, competitive economies.
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Sources for this issue include The Economist; Encyclopaedia Britannica; Financial Times; Foreign Affairs; Fortune; The Guardian; Red Pepper; The Times; Time magazine.

Books

Stiglitz, a Nobel prizewinner, was chief economist at the World Bank from 1997-2000. In Globalisation and its Discontents (2001), a highly influential critique of the Washington consensus, he argued that, to work fairly, ‘free markets’ would require complete information available to everyone concerned, conditions that can never be achieved – hence the uneven benefits between and within nations. In this (very readable) new book he reviews developments since then, and puts forward proposals, some practical, some frankly idealistic, for improving the imperfections of markets mostly, but not only, for the benefit of the world’s poor.


An account by perhaps Britain’s leading geographer of the rise of international institutions such as the IMF and the World Bank, and their association with the economics which emphasise capital accumulation at the expense of all else.


A history of the movement to bring the perpetrators of genocide, torture, and other international crimes to justice.


An analysis of what the authors describe as the new political order of globalisation, comprising (in their analysis) American military power plus the economics of privatisation and the destruction of public space.


A polemic argument that compared to total production, world trade is decreasing rather than increasing, that other economic conditions which are said to be distinctive of a globalised economy are exaggerated, and that globalisation is a largely invented category.


A largely positive account of the way globalisation is making the world smaller and therefore is providing opportunities to people.


This textbook looks at the patterns and processes of global shift, with particular reference to nation states, transnational corporations and technology. Case studies deal with the automobile, textiles and electronics industries.


A survey of the changes taking place in the global media industry. “The newly developing global media system is dominated by three or four dozen large transnational corporations (TNCs), with fewer than ten mostly US-based media conglomerates towering over the global market. In addition to the centralisation of media power, the major feature of the global media order is its thoroughgoing commercialism, and an associated marked decline in the relative importance of public broadcasting and the applicability of public service standards.”

The Death of Distance: How the Communications Revolution will change our lives, by Frances Cairncross, Orion, 1997 (303 pages; ISBN 0752812505; £18.99)

The author argues that the death of distance will be a force for global peace; countries will be less likely to fight one another when their citizens can communicate freely.


A study of the impact of technology on all aspects of society.

Other recent publications

Useful websites
un.org - (United Nations)
worldbank.org - (World Bank)
wtc.org - (World Trade Organisation)
oecd.org - (Organisation for Economic Co-operation and Development)
www.coe.int – (Council of Europe)
europa.eu.int - (European Union)
wbcod.ch - (World Business Council for Sustainable Development)
globalexchange.org - (Global Exchange)
nativeweb.org - (Native Web)
znet (Articles critical of corporate globalisation)

Humanitarian aid organisations
ifrc.org (International Federation of Red Cross and Red Crescent societies)
msf.org (Médecins sans Frontières)
oxfarm.org (Oxfarm)
care.org (CARE International)
usaid.gov (USAID)
icva.ch (International Council of Voluntary Agencies)
ippf.org (International Planned Parenthood Federation)

Human rights
amnesty.org (Amnesty International)
hrw.org (Human Rights Watch)
icftu.org - (International Confederation of Free Trade Unions)
oneworld.org - (Internet community of over 200 NGOs)
igc.org (Institute for Global Communications)

Environment
greenpeace.org (Greenpeace)
wwf.org (Worldwide Fund for Nature)
worldwatch.org (Worldwatch Institute - environmental monitoring)
wrri.org (World Resources Institute - environmental data bases, etc.)
wcmc.org.uk (World Conservation Monitoring Centre)
iucn.org (World Conservation Union)
gci.ch (Green Cross International)

Other
pewglobal.org - Pew Research Centre
pewglobal.org - (Pew Global Attitudes Survey)
iccsu.org (International Council of Scientific Unions)
consumersinternational.org
Globalisation is nothing new. It began with the Industrial Revolution, was boosted by the expansion of the British empire, and only paused for the duration of the long European and world war which started in 1914 and ended in 1945. That war triggered the creation of a string of international institutions, from the UN to the EU, designed to bring some reason and humanity into the political and commercial harshness of early globalisation. In the ten years since UGI last looked at this subject, technology has shrunk the world dramatically. Much has changed, but much has not.

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8-9 Globalisation in Facts and Figures
10-11 Common Human Concerns: Health, Poverty, Environment
12-13 The Media, the Internet and the World Wide Web
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