

Cooperative Globalism: Need of Our Times

The raging economic recession the world over has shown and proven beyond doubts the dilemmas and pitfalls of unfettered globalisation. Today, it is very much acknowledged and accepted that closed economy in a globalised liberal world is oxymoronic. So, more globalisation is something which has been taken for granted. While all along we all thought that the Indian economy is well placed and inherently strong enough not to be affected by the US recession, but now we know that the complex economic independence has grown intense and dense enough as to make it next to impossible to insulate one's economy completely from being affected by the external factors.

What is surprising is the failure to recognise the fact that today a seemingly nationalist issue or a national crisis is not completely because of some internal factors, but is actually spurred and aggravated by the external factors which are often beyond our ken and control. Such crises provide the best opportunities to get our act together to put up the best policy responses. But the act of shutting one's economy or closing up on more imports or framing stringent immigration policies is, in fact, prejudicial to the ethos of our times. Having liberalised and globalised our economies, we just cannot go back to the days of narrow nationalism.

The so-called 'Washington Consensus' around which the extant economic-financial architecture was constructed has actually been wanting in many respects. Western countries, who have been the principal promoters of the 'open door' neo-classical economic policies have themselves never been firm believers in their own ideology as reflected in their befuddled policy responses. While they have strongly espoused free movement of capital, they have always opposed free movement of labour. Again, while they have always promoted transfer of primary goods and natural resources from the South to the North, they have never been true votaries of transfer of technologies, as also reflected in their stringent patent laws. They desire unhindered access to our markets, but would not allow similar access to their markets and technologies, further mirrored in their different tariff and non-tariff barriers.

While they have been busy polluting the earth all these years by way of unsustainable consumerism, they now want the Third World to shoulder the major burden in the proposed 'clean-up' act without also wanting to share the requisite technology or financial resources needed for the purpose. Not only that, while they have all benefitted from a reckless and feckless colonial and neo-colonial economic development policy, they now want us to cut our consumption and stop growing without in any way agreeing to lower their stinking consumerism.

The West needs to realise that the capitalism of today is not really the unadulterated capitalism of Adam Smith and David Ricardo, but is actually its more tempered and sanitised self-imbibing many features of communism and socialism. The best of the two systems have well harmonised in the form of democratic welfarism or welfare capitalism as it exists now in the so-called liberal capitalist societies. The recent economic crises of South-East Asia and the extant domino-like fall of big financial or industrial houses has further led some observers to point to the failure of the 'State' to play the role of an impartial and effective arbitrator to manage the anarchical world system though diametrically contrary views have also been equally stronger.

Today, the globalised world provides ample windows on rest of the world via demonstration effect to afford a comparative analysis and appreciation of one's situation thereby arousing the sense of dissatisfaction and discontent among the not so privileged sections of the global population. While we have healthy, educated and economically well-off sections of the global society, we also have unenlightened, uneducated and very poor sections of the global majority. This also results in 'development of underdevelopment'. So, one thing that we all need to realise immediately is the fact that we can no longer afford the continued co-existence of islands of affluence and vast deserts of underdevelopment simultaneously as that opens the door to discords and disaffections. Religious terrorism, Naxalite extremism and separatist violence are offshoots of the same.

What one means to emphasise here is the fact that today the State is no longer a self-confident, self-reliant unit which can handle all its problems on its own and which can actually provide the proverbial security to all the nationals through its unquestioned monopoly over the use of coercive force. The 'sovereign' quality characterising the State has already come under severe attack from different quarters, so the very concept of 'nation-state' is on the retreat. Today, we have non-state actors within and without the state boundaries with many features of the State and who thereby severely compromise state's capacity to secure its nationals, the basic purpose for which the citizens entered into a 'Covenant' with the State. Today, the inter-continental ballistic missiles, international organisations, international business organisations, international laws, global finance capital, multi-national and trans-national companies, internet and other sophisticated means of communication and transportation and many such factors don't recognise national boundaries thereby severely denting the concept of sovereignty.

Against such a background, it is definitely not advisable to be unilateralist while trying to resolve one's national problems. These problems are global in nature and have their origins in

globalised external factors. They need global solutions rather than individualised nationalist approach as reflected in the protectionist behaviour of many countries. The penchant for unilateralist interventions in other countries internal affairs and employing a subservient United Nations to endorse the same is also unwholesome and calls for a change of attitude from those at the top of the international pecking order.

It is really high time that the North and the South got together to identify the core issues and problems facing the world today and come out with uniform approach for resolving the same. We not only have to ensure a sustainable development paradigm for promising a better future to the posterity, but also have to ensure that the same is done without encouraging negative forces. The West has long batted and fattened through colonial or neo-colonial policies and developed at the expense of the developing and underdeveloped countries. They cannot completely absolve themselves from their responsibility to shoulder the burden of providing the basic level of comfort and development for the underprivileged denizens of the South. Joseph Stiglitz has rightly identified the pitfalls of unfettered globalisation underscoring the need rendering it more humane, simultaneously also halting the dispossession of the poor and the indigent.

The truth remains that in an unequal world with unequal resources in unequal circumstances, we cannot ask different segments of global population to compete on equal footing. We have to guard against this misplaced egalitarianism and promote balanced development of the global society which results in the healthy survival of all. The corporate affluence of all shall mean enough purchasing power for all resulting in abundant demand creation and the resultant demand for supplies and thereby growth in employment opportunities. We need to appreciate that development of one is the development of all and the development of all is the development of one. One also feels that the time has come when we go beyond 'statism' or parochial 'nationalism' and move to genuine 'internationalism' in a spirit of cooperative globalism.

Salient Points

- Closed economy in a globalised liberal world is oxymoronic.
- National crisis is not completely because of some internal factors, but is actually spurred and aggravated by the external factors.
- Having liberalised and globalised our economies, we just cannot go back to the days of narrow nationalism.
- Western countries, who have been the principal promoters of the 'open door' neo-classical economic policies have themselves never been firm believers in their own ideology. While they have strongly espoused free movement of capital, they have always opposed free movement of labour.
- We can no longer afford the continued co-existence of islands of affluence and vast deserts of underdevelopment simultaneously.
- The 'sovereign' quality characterising the State has already come under severe attack from different quarters, so the very concept of 'nation-state' is on the retreat.
- It is definitely not advisable to be unilateralist while trying to resolve one's national problems.
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- Development of one is the development of all and the development of all is the development of one.

Glossary

Ken: knowledge

Befuddled: to confuse

Battened and fattened: grow fat