## Global pillage

Noreena Hertz Sep. 29, 2002

2002-09-29 04:00:00 PDT London -- The critique of big business that gained prominence three years ago in the streets of Seattle -- and was echoed in protests in Washington, Prague, Nice, Genoa, Barcelona and Seville; in recent anti-privatization riots in Peru and Paraguay, and in violent strikes in Ecuador -- has now entered the mainstream.

As protesters prepared to mobilize this weekend in Washington, D.C., where the World Bank and International Monetary Fund were scheduled to meet, polls showed 75 percent of Americans now think big business has too much influence over their lives. Eighty-two percent want corporate funding of political campaigns to be rethought.

A deep chasm is growing between "the global economy" and social justice. The 21st century is increasingly a world of haves and have-nots, of gated communities next to ghettos -- a world in which, in one year, Disney Chairman Michael Eisner earned \$576 million, the entire GDP of the Seychelles.

The <u>World Trade Organization</u>, time and time again, has intervened to prevent governments from using boycotts or tariffs against companies acting in ethically or environmentally unsound ways.

In almost every developing country, the number of people living on less than a dollar a day has increased over the past 20 years. Seven of the eight possible measures of world income distribution show growing inequality over the past two decades. Four-fifths of the world's income is in the hands of one- fifth of the world's population. Overseas aid to least developed countries, which are already hemorrhaging because of debt repayments, are plummeting. Market liberalization policies with no concomitant obligations on redistribution are sinking some social groups, especially the vulnerable and the poor.

If we are to make globalization work for all, we have to keep pushing for a new agenda. But it will have to be championed -- for now, at least -- without the United States on board. The world's preeminent industrialized player is unwilling to engage in the debate.

Under George W., any form of international cooperation to tackle political, social or economic exclusion is rejected. Since coming into office, he has downgraded or junked humanitarian interventions, refused to ratify the Kyoto protocol on climate change, proven unwilling to sign a draft agreement updating the 1972 Biological Weapons Convention, refused to ratify the Small Arms Treaty because of the interests of U.S. arms manufacturers, canceled \$34 million in funding for <u>U.N.</u> reproductive health programs in more than 140 countries and refused to attend the <u>Johannesburg Earth Summit</u>. Need I go on?

The Bush administration's persistent unilateralism and its hell-bent determination to protect the interests of corporate America presents a clear choice to those of us in Britain who see the necessity of multilateralism. Do we seek to work with our European neighbors and others who might embrace a similar position? Or do we revise our aspirations and lower our game to be able to stand "shoulder to shoulder" with George W.? How can globalization be reframed to the benefit of all?

First, we must lobby to set up an independent international commission to investigate the impact of economic globalization on human development, social capital and the poor. The commission would address questions like the cost of economic growth to the environment; the price we pay for allowing big business to influence the quality of our air and food, and the impact of free trade on development and on those most marginalized and in need.

Second, we need to push for something akin to a <u>World Social</u> <u>Organization</u> to counter the dominance of the WTO and to establish rules and regulations that will ensure the long-term protection of human rights, labor standards and the environment -- an organization with teeth as sharp as those of the WTO and equally effective powers of enfoThere still remains the problem of alleviating the suffering of those who are most excluded and marginalized. We need to push for debt cancellation, a significant increase in overseas aid -- which has fallen 45 percent in real terms since 1990 to the least developed countries -- and a rethinking of the ways in which it is delivered. And we must ensure that all unfair trade barriers on agricultural and textile products from the developing world are pulled down -- developing countries are losing almost \$2 billion a day because of inequitable trade rules.

The world needs a new global tax authority, linked to the United Nations, with power to levy indirect taxes on pollution and energy consumption, which can then be spent protecting the environment. The

authority should also levy direct taxes on multinational corporations, in order to fund the development of global environmental, labor and human rights norms.

Finally, we need mechanisms to help people fight injustice. Workers and communities everywhere must be able to safeguard basic rights to minimum health and safety standards at work, to minimum wages, and not be dispossessed without adequate compensation.

A world in which people have no access to justice is one in which discontent will continue to fester. We must ensure that the perpetrators of corporate injustices, wherever they are, be held to account and that their vA better world of greater equity, justice and democracy is possible. But unless those in power address these issues, the dispossessed, and those who speak for them, will keep on trying to batter down the doors of power in whatever ways they see fit. This divided world -- of injustice, inequity, environmental degradation and power asymmetries -- is untenable.

The events of Sept. 11, the terrible floods in Central Europe, the growing AIDS pandemic, the domino effect of financial meltdowns, all make explicit the extent to which all of us are inexorably linked as global citizens.

We must not let the only issues upon which the world unites be terrorism and trade. Those of us with a voice -- the haves -- must hammer home the message that we need a global coalition to deal with the issue of exclusion, too.