

Book Review:

Alternatives to Economic Globalization: A Better World is Possible

A report of The International Forum on Globalization, by John Cavanagh and Jerry Mander. San Francisco, California: Berrett-Koehler Publishers, Inc., 2002. Paper, \$15.95. Pp. 268.

Reviewed by Jerry Harris

Margaret Thatcher's famous pronouncement that "there is no alternative" to capitalism is challenged by this thoughtful and engaging book. For over a century opposition to capitalism sprung mainly from the socialist camp, and it was on the rubble of the Berlin Wall that Thatcher raised her neo-liberal banner. Since then the left has sought to recreate a viable vision of a better world. For Marxists this has largely been a debate over state directed versus market socialism. But other progressive and radical thinkers have confronted this task bringing forth fresh and vital insights that socialists need to give serious consideration. An excellent place to begin is with *Alternatives to Economic Globalization*.

This book is a result of discussions held between 1999 to 2002 by the International Forum on Globalization (IFG) that brought together many of the major intellectuals and activists of the global justice movement. The IFG has been an important think tank of the movement and the discussion groups included well-known figures such as Walden Bello, Maude Barlow, Tony Clarke, David Korten, Vandana Shiva and Lori Wallach, the main draft being written by John Cavanagh and Jerry Mander. As anti-globalization demonstrations occupied the streets many activists felt the need to go beyond protests and develop alternative economic ideas to challenge neo-liberalism. Eventually the World Social Forum (WSF) was created and this book is a direct reflection of the ongoing discussions within this vibrant and growing movement. Also propelling this examination are actual struggles against neo-liberalism that emphasize social justice, participatory democracy and radical economic actions such as land seizures in Brazil and factory occupations in Argentina. The book is not presented as official ideology but as a starting point for debates and serious reflection.

The book is divided between critiques of corporate globalization and power, and a discussion of the alternatives and principles for a sustainable society. But the authors rarely use capitalism as a category of analysis. Instead they write of global corporate power. For example, the authors argue that the basis for the global economic and social crisis is "rooted in – corporate globalization itself," (p. 32) and that "globe-girdling firms (are) the driving forces behind the new architecture for global governance and the trade, finance, and investments regimes that now rule people and life on earth." (p.122) As an analysis of the current institutional form of capitalism these characterizations are fine, but without an analysis of capitalism they are reduced to surface descriptions without recognizing the class relations at the core of global corporate structure. This can be seen further when the authors write that the "absolute imperative to make a profit" and the "imperative to continuously grow and expand" (p. 130) are "rooted in the institutional forms and structures" of corporate behavior. (p. 124) But these imperatives are rooted to the structural logic of capitalism that is exhibited and carried out in the form of global corporations. At a deeper level these imperatives reflect class society and relationships that penetrate culture, family, government and civil society. Global corporate structures are only one of the institutional and social forms through which the logic of profit making and expansion unfolds in the current era.

Although the book lacks this theoretical foundation it does concretely examine power relations, and the domination of government, economics and the environment by transnational capital. But here the IFG

avoids both a nation-centric analysis as well as a global class analysis. Instead the authors state “global corporations have established themselves as the dominant ruling institutions of the planet.” (p. 15) But exactly who owns these corporations and runs these institutions the authors never say. Analyzing economics as a world system rather than a conglomeration of national markets is fine. But promoting a view of global capital without reference to a transnational capitalist class reduces the problem to a world corporate bureaucracy, an analysis that greatly underestimates the depth and strength of the ruling class.

Perhaps the author’s reluctance to speak more directly about capitalism is their belief that markets have an important and necessary role in building sustainable societies. This leads them to focus on corporations as an abuse of markets. As they write: Both (socialism and capitalism) centralized power of ownership in unaccountable institutions, the state in the case of socialism and the corporation in the case of capitalism. Both worked against the classic liberal economic ideal of self-organizing markets – markets in which communities organize themselves to respond to local needs within a framework of democratically determined rules.” (p. 9)

Because of this critic the authors do not use the language of market socialism but of economic democracy “which involves the equitable participation of all people in the ownership of the productive assets on which their livelihood depends.” (p. 8) This is the basis for a key concept of the book, “subsidiarity.” This means “favoring the local whenever a choice exists,” empowering government at the local level and bringing decisions constantly “closer the people most affected.” (p. 107) This vision of a grassroots democratic society is strongly tied to environmental economics.

While these ideas have some common ground with anarchism, Karl Marx also advocated a society built around participatory local democracy and empowerment. The authors also argue that the state has an important role in protecting the commons and in helping to provide basic economic and human rights. This includes strengthening the governing role of the United Nations to replace the Bretton Woods institutions.

But the IFG needs to deal in greater depth with the interrelationship between global economics and local society in a world built on smaller regional economies. What are the full implications of ‘favoring the local whenever a choice exists’ when the world has already become so culturally and economically integrated? What percent of food production and other commodities can be manufactured locally, what resources do different regions have, what imbalances exist, and what percent of the global economy would still depend on trade? For example, how do the millions of people living on the east coast of the US satisfy their desire for tropical fruit, (and thousands of other regional products) and what are the implications of such desire on IFG’s deep concerns over agricultural policy and transport energy costs? These questions certainly don’t discount the need for greater local and regional concentration, but they may undercut the amount of practical emphasis placed on the localization of human society.

Another problem that the author’s needed to address is racial oppression. The book certainly deals with the inequality between the North and South, and this has been a major focus of concern for the IFG both on the practical and theoretical level. But race is not mentioned as a category of inequality and exploitation. This seems to contradict their emphasis on local and regional solutions where racial oppression is most often played out in the internal political and economic life of a country. What type of political solutions and social arrangements can be constructed to overcome decades and even centuries of inequality? Simply leaving such questions to a general vision of local empowerment fails

to consider special forms of oppression that too many on the left too often subsume under general categories.

Alternatives to Economic Globalization is an important contribution to help reconstruct a progressive vision for a better world. It offers both theoretical and practical transitional strategies to change society. The author's also present many concrete programmatic and immediate ideas rooted to the practice of the global justice movement and its radical vision is in tune with many of the social struggles that are at the forefront of anti-capitalist activity. But the book presents a sharply divergent alternative to state sponsored socialism, and to a lesser degree, also differs with market socialism. Thus it provides excellent grounds for further debates and an expanding exploration of strategy for all those who want to deepen the discussion on alternatives to capitalist globalization.

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