

# GLOBALISATION AND GOVERNANCE : CLONING THE NEW MILLENIUM

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*Globalisation has become the catch word of today's socio-economic milieu with immense implications for the cultural as well as economic dimensions of the country. Present paper discusses the multi-dimensional concept of globalisation with special reference to the history and evolution of the concept. It also discusses the philosophical undercurrents behind WTO as vehicle of unjust and democratic processes carried out in the name of globalisation.*

Newly acquired popularity of globalisation and governance does not seem to be unrelated. Both the terms have been given special connotations as though a part of a grand game plan of ensuring through some surreptitious devices the perpetuation and strengthening of the present global balance of power. In this essay it is intended to examine some implicit but widely prevalent meanings and nuances of these two critical focal points of the current social science and policy debates. To begin with, we examine in a historical context some issues connected with globalisation followed by those concerning governance.

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The much bandied about term globalisation is also a much misused and variedly used term. It can mean a phase in which the advances in science and technology have made intense continuous, quick and not too expensive global interaction possible, leading to a high degree of global intermingling. It can also mean greater integration of the national economies through trade, investment, financial flows, technology, trade, factor movements, migration, tourism, etc. It can also mean

an adjustment of national policies away from protectionism and towards greater opening up, including freer flow of ideas cultural exchange, etc. leading to the emergence of high degree of global homogeneity. These days we see the domination of the world economy by a small number of mega. TNCs, becoming bigger through cross-border acquisitions and mergers, growing cross border financial flows and increasing clout of the multilateral organisations like the IMF, World Bank, WTO, etc. and, to some extent of the other UN agencies. This too is also an aspect of globalisation. Many of these global exchanges are market-mediated ones. Hence one can see a certain degree of global demand, supply, market power coming into play and determining world-scale prices. These world prices influence domestic economic decisions as well, spelling out a kind of global market integration. The resulting reduction in the relevance of national and intranational factors and forces and their replacement by the global players is reducing the comparative power and elan of the nation-state. Just as the period from the 18<sup>th</sup> to the 20<sup>th</sup> centuries was dominated by territorial nation-states replacing city-

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states, the 21<sup>st</sup> century, according to globalisation buffs, is likely to belong to transnational organisations, forces and processes, making for greater integration of the globe.

This is surely not an exhaustive listing of the senses in which the term globalisation is used. It can reasonably be asserted that the term is more popular in some of its diverse economic meanings than in others. One does not hear as much of a globalising culture or civilisation than of the globalising economy, notwithstanding the information technology strides. The facts regarding the proportion of world output entering international trade, the number of people undertaking international travel as a proportion of world population, the number of TNCs and their colossal size, the total turnover of global financial flows and their astronomical magnitude are often cited to portray the proportions of economics globalisation. These undoubtedly are unprecedented. Globalisation refers to an ongoing process - a process likely to gather added momentum as it proceeds. It is, *inter alia*, a description of a prevalent, multifaceted situation. It is, also a term to indicate certain broad directions of future developments. It is an attempt to mark out the present era from the preceding ones; it is a multi-dimensional concept. It is both a positive-descriptive and normative-prescriptive concept. It represents a new, emerging balance of power, which is shifting from the nation-states to various transnational entities. It is also a plea for anti-protectionist, trans-nationalist or at least anti-ultranationalist, policies; it make a case for freer, if not absolutely free and unregulated policies of opening up and removing restrictions on international mobility of goods, services, money, other financial instruments, technology and ideas,

However, in so far as free labour mobility is not a part of the prevalent concept of globalisation, it is a telling point of its real character as a ploy for unilaterally serving the interests of the North. Global humanitarian response to various natural calamities is a relatively little noticed aspect of globalisation. The religious crusades of the past may have now disappeared, but the attempts in these spheres are also not none too insignificant. Global ideological linkages and struggles, despite the collapse of Soviet Socialism and end of the cold war, are still very prominent. One may refer to the all-out ideological offensive mouted by the ideologues of the market fundamentalism of the Washington consensus variety. This is at the very heart of the dominant, market - centred, private profit pursuit dominated globalisation. The Northcentric, normative concept of globalisation is really the new theology with its own breed of crusaders.

It is clear that globalisation is viewed in practice and at conceptual levels, in positive as well as normative perspectives. In both these senses; it can have interpretations with differing thrusts and nuances. But in terms of popularity and contemporary relevance, one can see a contest, not too subdued one, between two normative interpretations of globalisation. The starting point of this contrast is the oft-noted divergance between the glamourised-glorified portrayal of globalisation as close and dense knitting together the whole world inhabited by some six billion people. Per contra, is the stark reality in which billions are not even aware of the geographical contours and expense of the globe and another better-off billion who are either totally unconcerned about different peoples, races, cultures, living in some remote areas or are interested in them in terms of the cash nexus for markets, profits and glory of occasional charity.

This divergence - a sharp chasm between the rhetoric and reality - is a basic feature of the developments on the worldscale seen during the last half of the preceding millennium. Only a few segments of some countries have come closer voluntarily, directly and on the basis of genuine reciprocity. The rest have been passively dragged into the vortex on an asymmetric basis. Unequal and uneven growth of industrialisation, modernisation and capitalism - the spring board of prevalent globalisation - gave birth to universal maldevelopment.

It has created a highly divided, differentiated and inequities-ridden world which has restricted the benefits of science, technology and resurgence of humanistic-democratic values to a tiny minority again unequally distributed over different parts of the globe. In the area of ecology, armament, crime, consumerist self-obsession, etc. these processes have generated negativities on global scale. And not just this. The top-echelon minority has exploitatively used the vast majority of humanity for climbing up to its present position. And the factor heightening this historical tragedy is the ironical position adopted by the perpetrators of this gross injustice to blame the victims of their ruthless, no-holds-barred crusades for profits and power for not being able to join the globalisation band-wagon in a symmetrical, symbiotic manner. During the two 'golden' decades of 1950's and 1960s some feeble and limited, hesitant, inward-looking attempts for catching up with the forerunners were initiated for autocentric, endogenous development in order to prepare the former colonies for equal footing participation in the globalisation process straightaway (and not in its end-product, the globalised system). During this period,

in the name of the economic development game, these pursuits by the post-colonial societies were subtly and cleverly frustrated by the North, of course, by recruiting the services in diverse ways of local support strata as the model of colonialism without occupation. Thus the distorted globalisation bequeathed to the South during the mid-20<sup>th</sup> century got stuck in the mire of its inner contradictions in the form of debt-trap, fiscal crunch and intense overhang of multifaceted social crises.

A major contributor to the present impasse facing the South, the financial, cultural and intellectual Establishments of the North appeared on the scene as saviours and rescuers of the failed growth-development models pursued so far by the South. Their response was in the form of the neo-classical resurgence based structural adjustment took the form of liberalisation, privatisation, globalisation (LPG), or enthroning the market as the direct, ultimate arbiter of the socio-economic evolution of the South. This gave globalisation, as a normative policy option, or rather a panacea, its specific value orientation, content and its asymmetric character. Apparently, the countries of the North and the TNCs under their control were the controllers and major beneficiaries of following the path of market-centered, profit-directed, Northcentric globalisation. The problems which became the lot of the South remain unaddressed. Consequently, the same old colonial and post-colonial policies are sought to be rationalised and imposed on the South through the narrowing down of the options available to the South. Following the limitations of the globalisation seen of far, which is basically marked by the North-North integration (though not without its contradictions and mutual recrimination) what is advocated is more of

the same. The discredited recipe is just repackaged with some cosmetic affects and removal of irritants like some ineffective regulations and rent or authority. This suits best the interests of the powerful nations of the North and their top echelons - the corporate - financial world of the TNCs.

As against this, there is emerging as a part of the post-development discourse, an alternative normative conception of globalisation. As different from the above mentioned North-centric conception, the emerging South-centric or overall-equity based conception of gobalisation, is based on the objective of fostering both Intra-national, international and inter-generational equity. This too is based on the view that autarky is irrelevant and a matter of the past. The question is the nature and terms of global interaction. To parody a famous aphorism: we are all globalisers now: the question is of what kind. The idea is that the presently dominated sections and nations are able to overcome the drawbacks and raw-deal inherent in the North-centric marketised globalisation. This is not the same thing as doing away totally with the baggage derived from the dependency syndrome; the need is to introduce some positive transformative elements. A more thorough alternative has to go beyond external relations based, economic approach and encompass political economy and cultural roots and their manifestations. But as a matter of fact there is still powerful attachment to the goal of economic growth and the harnessing of the forces of globalisation like capital and technology import in various forms and on different conditions by the late-industrialisers. As a result, the mirage of catching-up and extended reproduction of its integral inequities and consequential extensive deprivation and external dependence and

worsened terms of economic integration with the North are not regarded as too high a price for the kind of catching-up globalisation. The acknowledged and exploded myths of trickle-down and pull-up processes are even now rarely used in the choice of the policy regime. It is clear that such a development could not have occurred without the contagion of North-centric globalisation extending beyond the economic sphere of the South. If this inference has some reasonable plausibility, the search for a South-centric normative globalisation has to be based on the mobilisation of the entire social spectrum and the content of such a conception of globalisation has to be holistic. While details may be continent on national specifics, harmonious domestic social restructuring and increasing South-South cooperation and interaction, or, interaction and correlation based on realised and potential complementarities, seem to be the common, minimal, elements of a Southcentric globalisation. This is a real uphill challenge because the North would resist the emergence and pursuit of any alternative conception and policy of globalisation. Among the ploys deployed for this purpose, many ideological precepts and policy stances too may be counted. It seems the emphasis on good governance is a part of this grand game plan. It is in itself, an unexceptional pursuit all over the globe. But the North Establishment presents it as an overarching specific need of the South, only as though everything is hunky-dory with their governance-the nature, quality and content of the state and state-society interface.

## II

Even independent of WTO related issues, current social science discourse gives a great deal of prominence to exploration of

various aspects of governance. True, governance is an issue thrown in to bold relief by the Western intellectual establishment. As is usual, it is eagerly lapped up by the former colonies, especially owing to the role of the Brettonwoods twins in giving support to it as a part of the euphemism "alternative framework of development" it is now advancing. It is time we carefully examine whether governance is really a critical issue, especially in the form it is propagated by the dominant countries. What is implied by them is that in terms of the various parameters of governance the early industrialised countries are paragons of virtue. In contrast, the two-thirds world is alleged to have made a mess of everything which was undertaken by them; newly emergent national states. True, there have been titanic and unpardonable failures and massive lost opportunities for correcting global imbalances, inter-generational and intra-national injustice and crippling inability to realise the potential available for overcoming poverty, multifaceted deprivation and cultural perversion. But can these manifestations of universal maldevelopment be laid at the doors of governance alone? And to the extent governance can legitimately take the flake for its numerous inadequacies and failures, is not this failure itself traceable, in turn, to numerous other forces, including the legacy of colonialism and, more importantly direct and indirect current role of the North. The kind of asymmetric globalisation it is pursuing as policy agenda and ideology and is using every possible means to impose it may reasonably be related to the weakening of good and effective governance. How can one obtain good governance on the basis of the neo-liberal, individualistic creed, which artificially delinks the economy from society? The propagation of this philosophy idealises

asocial behaviour, which under competitive pressure is easily turned into anti-social behaviour. Thus is produced a glaring contrast: globalisation attained on the foundation of atomistic individualism. This kind of individualism is antithetical to social individuals, multifaceted, holistic rationality, small communities and their coalescing into civilisational and political entities. Clearly, it cannot be conducive to good governance.

These issues, the backlog and unsavory legacies of the 20<sup>th</sup> Century, are being tackled in mainly dysfunctional, negative manner which are bound to worsen the emerging scenario. The transnationalisation of the world, which is rendering states and nations, particularly the smaller and poorer ones, impotent vis-a-vis accentuated power of the TNCs and the states dominated by them, in eulogised as globalisation. One may take the WTO as the symbol of these unjust and undemocratic processes, carried out in the name of globalisation. This is because, by misrepresenting and mis-utilising the linkage of trade with other spheres and reversing and perverting the origin and direction of the causation of these linkages, every aspect of the social existence of the people is sought to be determined according to the false and misleading tenets of 'free' trade (in effect, one-way asymmetric "free" trade). The pernicious forces, unleashed for fouling the prospects of a humanised, civilised and democratic millennium may in some significant ways be related to WTO-determined socio-economic processes under the impact of an ultra-liberal world view. India, owing to her size, potential, achievements and the ignoble history of betrayal of the interest of the masses by her own rich and powerful, is a special target of these machinations. The social scientists would be far less than equal to

their social responsibilities if they fail to make use of their skill, abilities, resources and determination to sound a timely warning to their compatriots on these issues-issues which are spread over the wide canvas of every facet of artificially individualised existence at the cost of socially-rooted identities and communitarian relationships.

WTO is but a vehicle of this deep global hegemonic design. India on the eve of the 21<sup>st</sup> century has become dangerously exposed to such manoeuvres. These manoeuvres are no secret conspiracies. They are open, humanistic sounding concerns about a common future, invoking the need for suitable mechanisms for providing global public goods. Attempts to ensure good governance is a part of this plan.

The state processes, democracy, policy and planning processes, culture and other social institutions are sought to be redesigned as a part of this new transnationalised scenario, geared towards preserving and protecting the crumbling, crises and contradictions-ridden system of the last two and a half centuries. All such issues need to be seriously and systematically debated.

Another point may be made. It is not our contention that everything is hunky-dory about the state, state processes or governance in the South, or, for that matter, in the North,. But the multiple crises of governance have to be seen as a part of much larger processes encompassing most, if not all, spheres of the reality. Selectively picking on some aspect of it and that too for the South only may turn out to be neither light-bearing nor fruit-bearing. Even when we focus on some specific aspect, the wider context, inter-connections and underlying power game should be explicitly worked out.

Good government, self-government, responsive, effective governance, call what you may, are treated by the Western Establishment as their innate specialty and a great boon they have bestowed on the colonised countries, by taking up the onerous task of governing them and gradually giving them lessons in self-governance by means of a series of 'constitutional reforms' and trained bureaucracy. After decolonisation and taking upon themselves to define, sponsor, support and finance 'development', they express shock and surprise at the failure of this project. This is used then as a ground for propagating, if not imposing, good governance, of course, under their own bilateral and multilateral 'benign' auspices, as a pre-condition for 'aid', trade, investment (so-called labour and social clauses) and co-operation. Electoral, multi-party democracy, rule of law, human rights, labour laws, transparency, accountability etc. are the elements which are taken by them to define the sum and substance of good governance in the present context. At times slim and trim government, very low fiscal deficit, and thus privatisation are also taken as components of good governance. As has been maintained, 'the development apparatus generated categories powerful enough to shape the thinking even of its occasional critics.' (Majid Rahnema).

The whole approach is mechanical, ethnocentric, sans history, culture and local influences. Needless to say, the apolitical sounding facade is meant to camouflage the interests and concerns of those who have hegemonised the global scene, it is politics by stealth. It can be shown that some superficial, surface phenomena have been picked up in order to make their efforts popular and catchy. Little wonder, the underlying relatively more basic factors and their unifying logic have been sidelined.

The emphasis on the need for good governance along the parameters defined by the former colonial powers gives a feeling of *deja vu*. Recall the good old early days of acquiring colonial empires and how such acquisitions were rationalised. Balfour, J.A. - a British Prime Minister, in a speech in the British House of Commons said in 1910.

"First of all, look at the facts of the case, Western nations as soon as they emerge into history show the beginnings of those capacities for self-government... having merits of their own.... you may look through the whole history of the Orientals in what is called, broadly speaking. The East, and you never find traces of self-government. All their great centuries and they have been very great.... have been passed under despotism, under absolute government. All their great contributions to civilisation..... And they have been great-have been under that form of government. Conqueror has succeeded conqueror; one domination has followed another; but never in all the revolutions of fate and fortune have you seen one of those nations of its own motion establish what we, from a Western point of view, call self-government. That is the fact. It is not a question of superiority and inferiority. I trust a true Eastern sage would say that the working government which we have taken upon ourselves in Egypt and elsewhere is not a work worthy of a philosopher and that it is the dirty work, the inferior work, of carrying on the necessary labour .....Is it a good thing for these great nations..... I think it is a good thing. I think that experience shows that they have got under it far better government than in the whole of the history of the world they have ever had before, and which is not only a benefit to them, but is undoubtedly a benefit to the whole of the civilised West. "Quoted by Edward W. Said, in *Orientalism* Penguin Books, 1978, pp.32-33.

Some illustrations may clearly bring out our point of view. Take the case of democracy, which is taken as a matter of political and legal form, periodic elections and multi-party contests, neglecting the bases of social power, factors determining socio-economic access to social and individual opportunities and participation, and ignoring social, communitarian relationships and ethos. How values and cultures have been perverted and communitarian links have been eroded in a systematic manner across various countries in order to render near absolute the pursuit to purely individualistic economic goals to the detriment of the foundations of democracy is a story not fully told. The political right of the individual to a representative government (the basic unit is atomistic and not communitarian individual) becomes the basis of a democratic, national centralised state. The micro and meso communities are made irrelevant. They are replaced by the corporate entities as legal person which conceal disproportionate and snowballing concentration of power in the hands of the real flesh and blood persons promoting, stewarding and controlling the corporate entities, practically as their personal empires. Thus there emerges unreal, formal democratic governance as an instrument of Northcentric globalisation with its own domestic network. Thus a handful of oligopolistic regimes located in the North sermonising and policing the whole world for good governance bring about, on the one hand, a near withdrawal of the broad masses from the political arena through enfeeblement, cynicism and weariness induced by futile, Hobsonian political choices made available to them, and on the other, weaken and remove the very bases which can enable the masses in the late-industrialising poor countries to obtain the essential minimum of human existence

so critical for keeping these countries firmly and steadfastly on a democratic course.

The UN organisations, multi-lateral bodies, powerful mega TNCs, the academic and information establishment created, financed, controlled and evaluated and rewarded by the transnational forces like, e.g., by the Nobel Prize, and even some caricatured forms of civil society have been mobilised to perpetuate and strengthen the unjust global order fostering universal maldevelopment. This maldevelopment enriches, a narrow minority at the cost of the board masses. The WTO and governance related rhetoric are parts of the game to ensure that the coming millenium remains firmly on the course traversed so far, it is an exercise of cloning a new millennium.

### III

The departing millennium produced a highly concentrated system of dominance and a large number of devices for winning legitimacy for and continuation of it. Along with it there occurred heightened awareness about and resentment against this system. The hegemonic power centres created ever new devices to protect their territory and privileges. We have discussed the concept of globalised power system and the ways in which the pleas for good governance are harnessed for this purpose. The idea is to make the new millennium safe and secure for the prevailing global order. Without

uncovering these political roots of the apparently well-meaning ideals like globalisation and good governance, we cannot fully appreciate the potential critical social theory adopting methodological and theoretical pluralism holds for alternative formulations. For instance, given the objective fact of a shrunk world, increasing world-scale externalities-both positive and negative, we are inexorably moving towards a common future marked by the need to achieve a high degree of intra and international equity, taking care of its inter-generational dimension as well. There have emerge a number of global public goods (like clean environment, fresh air, water and atmosphere in general, social and national security, equitable system of international exchange and payment, common heritage of knowledge and technology, etc.) and global public bads (global warming, environmental pollution, nuclear stockpile, weapons of mass destruction, volatile and inequitous global financial architecture, menace of drugs, tobacco and alcoholism, global Mafia syndicates, etc.) White global governance may be needed, pre-conditions for an equitable and democratic global governance are far from maturing. A slew of ideological, political, economic, financial and other armstwisting measures adopted by the North are basically designed to make the new millennium a clone of the bygone millennium.