
REMAPPING DEBATE

Asking "Why" and "Why Not"

Make globalization adapt to people, not visa versa

Commentary | By Craig Gurian | Alternative models, Globalization

Sept. 12, 2012 — The incessant calls to adapt to “the reality” of a globalized economy have been ringing in our ears now for more than 20 years. The preachers in this choir — from Clinton to Obama, from Bush to Romney — have either extolled the benefits that would trickle down from removing barriers to the free and unrestrained movement of capital across the globe, explained that there was no way to turn away from globalization without “falling behind,” or both.

The spectacle of nations prostrating themselves to demonstrate fealty to fickle markets has been repeated again and again, here and in Europe. The hollowing out of middle classes is at an advanced stage, a global race-to-the-bottom to secure corporate crumbs has severely constricted the ability of workers to bargain for decent pay and benefits, and everything — from essential foodstuffs to entire nations — is seen merely as a tradable commodity to be speculated on as though doing so resulted in consequences no weightier than betting on a horse race.

The fever has been caught by the higher education sector: Preparing our students to compete in a globalized world. Having a globalized presence. Being able to seamlessly move and communicate across borders. That’s the pitch.

And the U.S., we’re told, has to strive mightily to stay in the game — if we don’t follow the new rules (for example, bring manufacturing back home by slashing prevailing wages), then next thing we know... we’ll be a second-rate power.

Wait a second. Slow down. Time to take a breath.

The United States today — despite the deep economic pain that has been needlessly inflicted on millions of our fellow citizens — remains the largest economy in the world.

Assume for a moment that, in the years to come, China will indeed “surpass us” and that we will no longer be the biggest. Maybe the European Union, viewed as a single unit, will surpass us, too. The obsessive fear of not being the biggest probably demands some intensive national psychoanalysis. But even a little short-term cognitive therapy (thinking through the limited actual consequences of coming to lag behind China and the E.U.) should provide a significant measure of comfort.

The simple fact is that the *third* biggest economy in the world will be a market in which every other country in the world will want to participate. That means we have the opportunity to set some new rules of the road — rules that don't prize unfettered capital movement over all other values; rules that insist that restoring and maintaining an ever-higher standard of living (for example, a standard by which every American not only gets minimum medical care but excellent medical care) is our highest priority.

And it means that even if some business sectors in other countries (or entire nations) were to deny themselves the benefits of doing business with the U.S., we could still have a healthy and robust economy.

Ironically, the very same people who shout about the need for adaptation to the particular flavor of globalization that has taken hold say nothing about the possibility of countries to adapt in a very different way.

Once one frees oneself from the view that countries are and should be subservient to markets and recognizes that countries need to assert authority to counterbalance corporate and financial demands that care nothing about citizen welfare, then one quickly realizes that cross-national cooperation is a very useful adaptation to fight back against the subordination of humane values.

Some European countries will soon take a modest step in that direction with the [imposition of a financial transactions tax](#) that will both raise revenue and discourage speculative, high-frequency trading.

France is poised to impose substantially higher taxes on its wealthy elite, despite warnings that those Frenchmen and Frenchwomen will flee, caring more for their pocketbooks than for their homes or their country. I'm skeptical of the argument, but mutual defense — a NATO analog deployed not against the Warsaw Bloc but against rapacious global financial elites — would help.

It is surely the case that the broader imposition of higher taxes on wealthy individuals and corporations would leave those players with fewer places to run and fewer places to hide, and, critically, would reduce pressure on participating governments to compete with each other to undermine their workers and, ultimately, their sovereignty.

If the U.S. were to join EU nations in such an effort, that would create a formidable alliance, indeed. Just don't look for either President Obama or Governor Romney to lead the way.

This content originally appeared at <http://www.remappingdebate.org/node/1405>