

The Challenge of Globalization

THE PROCESS THROUGH which the world is becoming an increasingly many-sided integrated whole has roots that go back to as far as the fifteenth century, according to scholars in Russia and other countries. The trend toward integration has been manifested in the most varied forms—from empire building, colonial conquests, and trading companies operating across several continents to the emergence of worldwide transportation systems, the rise of multinational corporations, and the growth of new worldwide communications systems.

As early as the 1970s and 1980s, some scholars used the term *mondialization* (from the French term *mondiale*, meaning “worldwide”) in referring to the internationalization of the processes of production and exchange. The powerful flow of capital from one country to another has also been noted, along with an increase in trade that has exceeded the pace of growth in industrial production.

Today the term *globalization* is more commonly used to describe these world processes. It reflects the fact that the processes of internationalization have essentially embraced all spheres of existence of the human community worldwide and also that the interdependence of the various countries and peoples has acquired a qualitatively different character and become a real factor of great magnitude.

The globalization process is, in many respects, internally contradictory. On the one hand it opens up for all the world and for each country new and previously unheard-of chances to accelerate development, to link up with the most advanced forms and methods of production, and to participate in the exchange of cultural and intellectual values. On the other hand—on a much broader scale than previously—it gives those nations and giant monopolies that are economically, technically, and politically more power-

ful the ability to exploit other countries and populations and extract enormous profits from the uneven development of the various regions of the world.

Considering both the positive and negative potential of these processes, globalization poses a challenge in that it requires a new quality of human activity to adapt to new conditions. Thus it requires a new quality of politics in the broadest sense of the word.

Globalization has received a further impetus as a result of changes that have occurred since the end of the Cold War. In the wake of those changes, the world market truly became a worldwide phenomenon after dozens of countries began to make a transition to the market economy and to pluralistic democracy. For the first time in decades a global field for worldwide competition emerged with all its advantages and deficiencies. This is an important step toward greater interdependence and interconnectedness among the countries and peoples of the world.

Another qualitative change that has become especially noticeable in recent years is the swift expansion of the information revolution, whose effects are felt throughout the world economy, above all, in the world financial and banking systems. The world economy has become more dynamic; the interconnections (and competition as well) between national economies has increased substantially. Transnational corporations have acquired an ever increasing degree of independence from national economies and operate on a world scale without consideration for the interests of those economies.

Especially striking changes have taken place in the realm of finance. It was noted at a session of the Interaction Council, in May 1995, that a dramatic increase had occurred in the mobility of capital based on modern communications and information systems. Capital movement has become separated from the movement of goods and services. This course of events is fraught with grave dangers. For example: as shown by the turbulence on the stock markets as a result of the Asian crisis in 1997–98.

New developments in the realm of universal security also provide cause for serious concern. The global threat of nuclear catastrophe has become more remote, although it has not been entirely eliminated. But today it is evident that global security is fragile.

The world is full of scattered conflicts that have drawn into their orbit significant numbers of people and have involved an increasing number of countries in the process of trying to overcome these conflicts. What is

worse, the conflicts directly affect the most varied interests, from nationalistic to religious.

There is a global expansion of terrorism, drug trafficking, corruption, and organized crime involving Mafia-type organizations.

Environmental problems are mounting. A shortage of food resources, sources of energy, and potable water is beginning to be felt. The area covered by forests and cultivated land is shrinking, and the earth's oceans and atmosphere are being polluted. All these phenomena have arisen or become more acute in recent years because they are unique manifestations or consequences of the quickening pace of globalization and the growth of universal interdependence.

On a theoretical and political level, a significant problem is the correlation between worldwide, global interests and those of national states. This problem had previously attracted attention and became the subject of debates, which sometimes led to misunderstandings. But now it has become an especially acute problem.

The realm of universal human interests continues to expand. All the phenomena described above give added weight to the question of the interests of humanity as a whole.

There is one other theoretical and political question that must be considered as the new thinking develops: A kind of inversion has occurred in the way domestic and international processes (and policies) are affecting each other.

In the era of confrontation and even in the period that brought it to an end, international processes increasingly affected domestic conditions in various nations. The Cold War forced all countries to subordinate their domestic actions to its requirements and interfered with normal domestic development. In recent years, however, there has been a shift: decisions in a given country regarding domestic problems, economics, the ecology, and so on, have tangibly affected life in other countries. Recall, for example, how in the post-confrontational period military conflicts erupted mostly within the boundaries of one country, but then often, though not always, became internationalized. At the root of these conflicts have been incorrect or unsuccessful domestic political decisions, above all those involving nationalities.

Thus each country now has a greater degree of responsibility for its domestic actions insofar as they affect the international community. Thus, too, the very great necessity for every government and political force to consider the needs of the international community, both its problems and

concerns, when making internal decisions. Unfortunately, in the practical activities of national governments this increased interconnection between domestic and foreign affairs is not being taken into account to the extent necessary. But without such consideration, political decisions may not only be erroneous; they may be quite harmful as well. They may well end up hurting the governments that initially made the decisions.

All this taken together—the new manifestations of globalization and its consequences—requires that the kind of international dialogue that played an irreplaceable role in ending the Cold War must be raised to a qualitatively new level. It must be understood that at this new stage it is no longer enough that only the great powers engage in a dialogue to determine the general trends of world political development. Instead, the efforts, experience, and intellectual capacities of most of the world's nations must be brought together. We should be talking about laying the basis for mechanisms to establish some kind of regulation or management of worldwide processes.

In previous stages of social development, national societies and governments had their own political and juridical frameworks, their own “rules of the game,” limited by their national boundaries. But in a world that is quickly becoming globalized, the rules are becoming obsolete. Problems are not being solved but are becoming more acute. Politics today is called upon to enrich itself with a truly philosophical view of a world that is simultaneously united and contradictory. If politics fails to adopt this view, the task of managing or regulating global processes will remain unresolved.

It is recognized more and more widely that certain rules of the game must be established if the new world is to establish some form of administration or management of worldwide processes. Certain groups have attempted to provide for such management—for example, the so-called Group of Seven [the seven richest and most powerful countries, whose top officials meet regularly to discuss world problems—the United States, Canada, Britain, France, Germany, Italy, and Japan]. The United States, in statements by its highest officials, has more than once voiced a claim to “American leadership of the world.” The pretensions of the G-7 or of the United States alone are not well founded, however. Today's world of free, independent, sovereign states is by no means willing to accept leadership only from one direction. This becomes increasingly evident with each passing year.

The idea of creating a world government has come up many times and is frequently found in the pages of both scholarly and political publications. But it is unrealizable, at least for the time being. Other issues that have taken

center stage in today's political thinking include self-determination, self-identification, and self-government. Accordingly, on the eve of the twenty-first century the idea of administering world processes can be realized only as the idea of coordinating the efforts of national governments and unifying those efforts for the sake of solving specific common problems.

Of course this is an extremely complicated task. For centuries people have been accustomed to isolated actions by various countries. Each nation has been concerned about itself and has viewed other nations as only temporary allies or fellow travelers. Fairly often, nations tried to solve their own problems at the expense of others. In today's conditions such approaches can only worsen the difficulties for each country. Anyone who would try to play a zero-sum game is bound to lose. But in order for this to be understood and, even more important, to be put into practice, a genuine psychological revolution is necessary.

Obviously the goals of global management cannot be achieved all at once, in a single leap. Even with a "great leap forward," we could not coordinate the efforts of the international community and establish some form of management or administration of worldwide processes. Thus it is necessary to approach this goal step by step, to try to enhance the role of existing institutions and encourage coordination of the efforts of various governments.

Above all, we are thinking about the United Nations. In 1995 this organization was fifty years old. The half century that has gone by has demonstrated both the enormous potential and, to a certain extent, the limited nature of this organization. Practice has shown that the UN has functioned most efficiently when *all* its members—certainly not just the permanent members of the Security Council—demonstrated unity of will and intention, and sought to achieve specific, realistic goals. This is exactly what we should strive for today.

In recent times, however, the UN has evidently been in danger of playing a reduced role. Proposals are being made to restrict the scope of its functioning, and attempts to manipulate UN resolutions have become evident.

The need for specifying and refining anew the functions and role of the United Nations has been felt for a long time. It must become an organization that takes into account to the fullest extent the challenges and real needs of the new world that has come into existence.

Many plans for reforming the UN have been proposed. Thus far none have achieved the necessary consensus among members. The Agenda for

Peace and Agenda for Development worked out by the UN general secretary in the first half of the 1990s, although quite useful, have to a large extent remained only on paper.

Of course the UN needs a general conception of action, an integrated strategy of global partnership. Perhaps it is also worth trying to carry out specific measures for improving the UN. Obviously security has many different aspects today—economic, environmental, and social—that need to be taken into account, including in the UN Charter and in the structure and composition of various UN agencies and bodies. For example, the creation of an Economic Security Council has been requested. An authoritative body for environmental monitoring and coordination of actions by national governments in this area is obviously necessary. There is also a growing need for a coordinating center to combat terrorism, organized crime, and drug trafficking.

The rights and powers of the UN General Assembly may need to be revised. Perhaps a certain category of decisions or resolutions by the Assembly (where life-or-death global problems are involved) should become binding on all members.

Clearly an important task of the UN and its institutions is to improve the current international legal system. The system now represents an uncoded set of juridical standards that partly contradict one another and do not by any means cover all the “legal space,” so to speak, in international relations. As a rule, new problems that have arisen in recent decades have not been taken into account in this system of international law.

Urgently needed is a new interpretation of the principle of national sovereignty. This is, of course, a very delicate subject in an era witnessing the tempestuous rebirth of national feelings. Still, all nations have recognized to varying degrees that the principle of absolute sovereignty is no longer functional in certain spheres. The number of international agreements having to do with resolving the most varied kinds of problems—from arms reduction to environmental measures—and the rapidly multiplying number of such agreements are graphic evidence of the need to redefine national sovereignty. Today many nations have delegated some of their sovereign rights to the international community. Such practices will apparently expand, necessitating an appropriate legal form for them.

Still another problem, no less delicate, is that existing norms and standards of international law are not, as a rule, reinforced by monitoring to determine whether members of the international community are abiding by

these standards. Globalization produces new demands for a kind of international responsibility or, if you will, discipline. What can be undertaken in this respect and in what way is another question requiring attention.

Other areas in which UN functions could be improved may undoubtedly be suggested, but the chief need today is to reaffirm and strengthen the UN's role in the world. Of course, no matter what improvements in the functioning and structure of this organization may be introduced, there also needs to be an understanding that, without an attentive and respectful attitude by all nations toward the work and decisions of the UN, it cannot be an effective body. This includes the financing of UN activities in a timely way worthy of the role the UN plays. A special session of the UN, it seems, ought to be devoted to this topic.

In addition to the United Nations, almost every continent has various regional or continent-wide organizations. Their functions are political and often economic. The emergence of these organizations is essentially a manifestation of the trend toward globalization, a reflection of the need for international coordination in making decisions affecting peace, security, and cooperation on a regional scale.

The regionalization of the world, in some respects, contradicts its globalization, creating the danger of intensified economic and political rivalry between regional organizations.

Considering all aspects of the matter, it seems essential to establish effective collaboration between regional organizations and the UN, its Security Council and its other institutions. This would allow the creation of a kind of unified system of world and regional decision-making bodies and would ensure coordination (rather than rivalry) among regional organizations.

Economic rivalry among regional organizations, as among individual nations, is of course inevitable. It can be kept within necessary limits, however, with the help of international economic and financial organizations—for example, the World Trade Organization (on the condition that it become an instrument for establishing equality and mutual respect for all interests). It seems evident that with the changes occurring in the world currency markets, especially with worldwide expansion of the market economy, the time has come for reform of the appropriate international organizations brought into existence half a century ago at Bretton Woods.

It should be noted that regional organizations for peace, security, and cooperation can be exceedingly useful—but only if they have the necessary powers and instruments to conduct their activities. The importance of these

necessary powers is illustrated by the ineffectiveness of the Organization for Security and Cooperation in Europe (OSCE). The very existence of this institution exemplifies how the lack of clearly defined powers—particularly the right to make decisions that are binding on all members—as well as the weakness of its agencies—which, at best, are merely consultative bodies or have only observer status—prevents this organization from being an effective instrument for security and cooperation.

One may argue that the OSCE has not yet emerged from its initial, formative stage. However, the fact is that a number of its influential members prefer the organization to be ineffective for reasons that include a desire either to avoid the “burden” of carrying out the OSCE’s decisions or to preserve NATO at all costs as the chief instrument for European security.

A last point: The search for answers to the challenge of globalization in our times is by no means solely the precinct of professional politicians. Particularly the last ten years have shown that the forces of civil society play an enormous role in this sphere. The activism of scientists, physicians, writers, and representatives of the business world were also essential in overcoming the Cold War, primarily by pointing up the real dangers of East-West conflict and creating a spiritual climate for policies of *détente*, reconciliation, and retreat from confrontation.

The forces of civil society can play a similar role today. Therefore we should reiterate a proposal advanced earlier: Let us establish, under UN auspices, a kind of permanent worldwide brain trust (or “council of the wise”). This would consist of people having no government duties and who are free of any ideological or other preconceptions or prejudices, people who are capable of objectively evaluating the new phenomena in world developments and translating their conclusions into practical recommendations. The experience and authority of Nobel Prize winners could be utilized in this connection.

A similar council or forum could be established in each major region, perhaps on every continent. Drawing on the inexhaustible potential of the world of science and culture, these institutions could enrich political thought in a fundamental way and initiate decisions or recommendations that would truly serve universal human interests as well as regional and national interests.