

# G R I S T

Diocese of New Ulm      Social Concerns Office      April, 2010

## **15 Propositions about Globalization – Making the World Economy Serve the Common Good**

by Robert A. Senser

1. In transforming the world economy, globalization has created a new dimension – a vast open space of human activity, an international marketplace – outside the traditional jurisdiction of nations and their laws.
2. To establish the rule of law in that open space, governments have created – and are still expanding – a global network of bilateral, regional, subregional, plurilateral, and multilateral agreements laying down crossborder rules on trade, services, investments, intellectual property, and other commercial issues, and have delegated enforcement powers to intergovernmental agencies, with the World Trade Organization at the pinnacle.
3. That global rule of law, however, is only partial, in two senses – partial as in incomplete and partial as in favoring the rights and interests of one group over others.
4. In its present partial form, globalization protects and promotes the rights and privileges of commerce and capital (particularly multinationals headquartered in the United States, Western Europe, and Japan) to the neglect of labor (the men, women, and children who find themselves in the greatly expanded international labor market).
5. Those procapital rights and privileges, as written, interpreted, and enforced, are balanced by no – or by very ineffective – matching responsibilities or accountability, thereby creating a huge global imbalance.
6. The imbalance leads to an imbalance of power that advances the interests and multiplies the wealth of multinational corporations and allied elites to the disadvantage of other “stakeholders” in all countries, particularly the many millions of vulnerable working men, women, and children, as well as the poor communities that are deprived of the means to protect their own rights and interests.
7. The imbalance is wrong, grievously and glaringly so, and is increasingly understood as wrong, thanks to improved global communications and the proliferating nongovernmental groups committed to correcting inequities – twin developments that are the happy products of globalization.
8. Since globalization itself demonstrates conclusively that the well-being of people can be improved, those now left out are less and less willing to accept their deprived status and often see themselves as sacrificial lambs to further enrich those already fabulously wealthy.
9. Explosive consequences seem more and more likely if the rightful demand for justice continues to be ignored.
10. Risks have multiplied for the most visible manifestation of globalization – multinational corporations, which at latest count number about 79,000 firms, plus 790,000 foreign affiliates, as well as uncounted millions of suppliers in almost every corner of the globe.
11. There is a serious gap between the scope and impact of multinationals, on the one hand, and the capacity of less developed countries to deal with the conduct (and misconduct) of foreign firms.
12. Since the U.S. government, under both Democratic and Republican administrations, took the lead in determining the unbalanced rules of globalization, and in creating its intergovernmental institutions of globalization, it has the responsibility to review those rules and institutions and to upgrade them so that they address the needs of the 21st century.
13. That the process of review and reform needs to cover the full range of international policies now grouped together under “trade,” including significant areas that are not really trade issues – the protection of intellectual property rights, for example, but that may well contribute more to global inequities than ordinary trade does.
14. The heart of the reform movement should be to make the Universal Declaration of Human Rights more universal in international business, with close attention to the rights of workers, particularly the rights of women workers, who are more vulnerable to exploitation than are men.
15. Integrating social responsibility into trade rules and into intergovernmental trade agencies is absolutely necessary, but is not a cure-all; many other types of private and governmental initiatives are also necessary, particularly to guarantee worker-friendly practices where people actually work.

from} *Charity in Truth*, a social encyclical  
of Pope Benedict XVI

The *explosion of worldwide interdependence*, commonly known as globalization...has spread to include all economies. It has been the principal driving force behind the emergence from underdevelopment of whole regions, and in itself it represents a great opportunity. Nevertheless, without the guidance of charity in truth, this global force could cause unprecedented damage and create new divisions within the human family.

#33

Sometimes *globalization* is viewed in fatalistic terms, as if the dynamics involved were the product of anonymous impersonal forces or structures independent of the human will. In this regard it is useful to remember that while globalization should certainly be understood as a socio-economic process, this is not its only dimension. Underneath the more visible process, humanity itself is becoming increasingly interconnected; it is made up of individuals and peoples to whom this process should offer benefits and development, as they assume their respective responsibilities, singly and collectively. The breaking-down of borders is not simply a material fact: it is also a cultural event both in its causes and its effects. If globalization is viewed from a deterministic standpoint, the criteria with which to evaluate and direct it are lost. As a human reality, it is the product of diverse cultural tendencies, which need to be subjected to a process of discernment. The truth of globalization as a process and its fundamental ethical criterion are given by the unity of the human family and its development towards what is good. Hence a sustained commitment is needed so as to *promote a person-based and community-oriented cultural process of world-wide integration that is open to transcendence*.

Despite some of its structural elements, which should neither be denied nor exaggerated, "globalization, *a priori*, is neither good nor bad. It will be what people make of it." We should not be its victims, but rather its protagonists, acting in the light of reason, guided by charity and truth. Blind opposition would be a mistaken and prejudiced attitude, incapable of recognizing the positive aspects of the process, with the consequent risk of missing the chance to take advantage of its many opportunities for development. The processes of globalization, suitably understood and directed, open up the unprecedented possibility of large-scale redistribution of wealth on a world-wide scale; if badly directed, however, they can lead to an increase in poverty and inequality, and could even trigger a global crisis. It is necessary to *correct the malfunctions*, some of them serious, that cause new divisions between peoples and

within peoples, and also to ensure that the redistribution of wealth does not come about through the redistribution or increase of poverty: a real danger if the present situation were to be badly managed. For a long time it was thought that poor peoples should remain at a fixed stage of development, and should be content to receive assistance from the philanthropy of developed peoples. Paul VI strongly opposed this mentality in *Populorum Progressio*. Today the material resources available for rescuing these peoples from poverty are potentially greater than before, but they have ended up largely in the hands of people from developed countries, who have benefited more from the liberalization that has occurred in the mobility of capital and labor. The world-wide diffusion of forms of prosperity should not therefore be held up by projects that are self-centered, protectionist or at the service of private interests. Indeed the involvement of emerging or developing countries allows us to manage the crisis better today. The transition inherent in the process of globalization presents great difficulties and dangers that can only be overcome if we are able to appropriate the underlying anthropological and ethical spirit that drives globalization towards the humanizing goal of solidarity. Unfortunately this spirit is often overwhelmed or suppressed by ethical and cultural considerations of an individualistic and utilitarian nature. Globalization is a multifaceted and complex phenomenon which must be grasped in the diversity and unity of all its different dimensions, including the theological dimension. In this way it will be possible to experience and to *steer the globalization of humanity in relational terms, in terms of communion and the sharing of goods*.

#42

The principle of subsidiarity is particularly well-suited to managing globalization and directing it towards authentic human development. In order not to produce a dangerous universal power of a tyrannical nature, *the governance of globalization must be marked by subsidiarity*, articulated into several layers and involving different levels that can work together. Globalization certainly requires authority, insofar as it poses the problem of a global common good that needs to be pursued. This authority, however, must be organized in a subsidiary and stratified way, if it is not to infringe upon freedom and if it is to yield effective results in practice.

#57

*To manage the global economy; to revive economies hit by the crisis; to avoid any deterioration of the present crisis and the greater imbalances that would result; to bring about integral and timely disarmament, food security and peace; to guarantee the protection of the environment and to regulate migration: for all this, there is urgent need of a true world political authority.*

#67