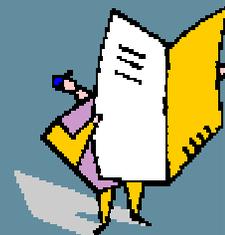


# MODULE #2

## Globalization for people



# A VISION FOR CHANGE



- Public debate on globalization is at an impasse. Opinion is frozen in the ideological certainties of entrenched positions and fragmented in a variety of special interests.
- The will for consensus is weak. Key international negotiations are deadlocked and international development commitments go largely unfulfilled.
- The report offers no miraculous or simple solutions, for there are none. But it is an attempt to help break the current impasse by focusing on the concerns and aspirations of people and on the ways to better harness the potential of globalization itself.
- The need is for a process of globalization with a strong social dimension based on universally shared values, and respect for human rights and individual dignity
- Globalization should be fair, inclusive and democratically governed. It should provide opportunities and tangible benefits for all countries and people.
- The current path of globalization must change. Too few share in its benefits. Too many have no voice in its design and no influence on its course.
- The path of globalization can be changed. The benefits of globalization can be extended to more people and better shared between and within countries, with many more voices having an influence on its course. The resources and the means are available.
- The imbalance between the economy and the polity is undermining democratic accountability. Institutions of governance— whether national or international – do not adequately meet the new demands of people and countries for representation and voice. Globalization has made public opinion a potent political power in its own right.

# Vision: KEYS TO CHANGE

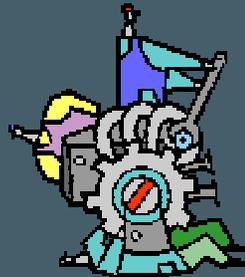


- **A focus on people.** The cornerstone of a fairer globalization lies in meeting the demands of all people for: respect for their rights, cultural identity and autonomy; decent work; and the empowerment of the local communities they live in. Gender equality is essential.
- **A democratic and effective State.** The State must have the capability to manage integration into the global economy, and provide social and economic opportunity and security.
- **Sustainable development.** The quest for a fair globalization must be underpinned by the interdependent and mutually reinforcing pillars of economic development, social development and environmental protection at the local, national, regional and global levels.
- **Productive and equitable markets.** This requires sound institutions to promote opportunity and enterprise in a well-functioning market economy.
- **Fair rules.** The rules of the global economy must offer equitable opportunity and access for all countries and recognize the diversity in national capacities and developmental needs.
- **Globalization with solidarity.** There is a shared responsibility to assist countries and people excluded from or disadvantaged by globalization. Globalization must help to overcome inequality both within and between countries and contribute to the elimination of poverty.
- **Greater accountability to people.** Public and private actors at all levels with power to influence the outcomes of globalization must be democratically accountable for the policies they pursue and the actions they take. They must deliver on their commitments and use their power with respect for others.
- **Deeper partnerships.** Many actors are engaged in the realization of global social and economic goals – international organizations, governments and parliaments, business, labour, civil society and many others. Dialogue and partnership among them is an essential democratic instrument to create a better world.
- **An effective United Nations.** A stronger and more efficient multilateral system is the key instrument to create a democratic, legitimate and coherent framework for globalization.

# Vision: STARTING POINTS

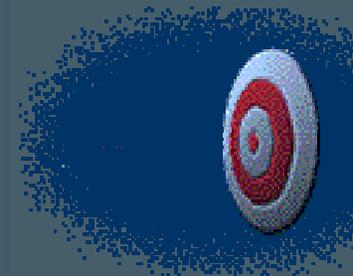


- There are deep-seated and persistent imbalances in the global economy, which are ethically unacceptable and politically unsustainable. The economy is becoming increasingly global, while social and political institutions remain largely local, national or regional. None of the existing global institutions provide adequate democratic oversight of global markets, or redress basic inequalities between countries.
- The imbalance between the economy and society is subverting social justice. There is a growing divide between a formal global economy and the expansion of an informal local economy in most societies. The majority of the world's people, who live and work in the informal economy, continue to be excluded from directly participating in markets and globalization on a fair and equal basis.
- The benefits of globalization have been unequally distributed, both within and between countries. There is growing polarization between winners and losers. The gap between rich and poor countries has widened. In sub-Saharan Africa and Latin America, more people lived in poverty at the end of the 1990s than at the beginning of that decade.
- Economic rules and institutions prevail over social rules and social institutions. Trade in manufactures is liberalized, while agriculture remains protected. Goods and capital move much more freely across borders than people do. In times of crisis, developed countries have wider options for macroeconomic policy, while developing countries are constrained by demands for adjustment.
- There is a lack of public trust in global decision-making. Global markets lack institutions for public supervision which, in many countries, provide national markets with legitimacy and stability. The present process of globalization has no means to keep the balance between democracy and markets.



# Vision: A FEASIBLE PATH

- Globalization should be a more inclusive and fair process. It should have a social dimension that sustains human values and enhances the well-being of people in terms of their freedom, prosperity and security.
- People see globalization in terms of opportunities for decent work and meeting essential needs for food, water, health, education, shelter and a livable environment. Without such a social dimension, many will continue to view globalization as a new version of earlier forms of domination and exploitation.
- The essentials of a social dimension include:
  - A process of globalization based on universally shared values, which require all actors – including States, international organizations, business, labour, civil society and the media – to assume their individual responsibilities. It demands respect for obligations and duties under international law.
  - The first steps towards a socio-economic ‘floor’ for the global economy should include an international commitment to ensure the basic material and other requirements of human dignity for all, enshrined in the Universal Declaration of Human Rights, the eradication of poverty and the attainment of the Millennium Development Goals (MDGs).
  - A sustainable path of development which provides opportunities for all, expands sustainable livelihoods and employment, promotes gender equality, and reduces disparities between countries and people. It calls for greater coherence between economic, social and environmental policies.
  - A more democratic governance of globalization, which allows for greater voice and participation, and ensures accountability, while fully respecting the authority of institutions of representative democracy and the rule of law.
- This is a realizable vision. The resources exist to overcome the most pressing problems of poverty, disease and education.



# Vision: GETTING THERE



- Our greatest asset is the multilateral system of the United Nations, which is essential for global action. Recent events have dramatically highlighted its importance in a changing world. The events of September 11 and global terrorism have brought home the reality of our common vulnerability and the need for unified action.
- Globalization is making multilateralism both indispensable and inevitable. There is no durable alternative which can respond to the needs and aspirations of people in an interdependent world. Multilateralism ensures transparency, and provides protection – however inadequate – against the asymmetries of power and influence in the international community.
- Multilateralism is under challenge. The conflicts in the Middle East, and the persistence of global poverty and inequality, have demonstrated the urgent need to bring together the contemporary realities of state power and public opinion in a durable alliance for peace and development.
- We need to devise better instruments for the governance of globalization, and the functioning of the multilateral system. A fairer globalization has to be built upon a productive and equitable global economic system.
- No country can opt out of the global economy. The challenge is to manage interaction with global markets to ensure growth, development and equity. Efficient markets require effective States. If countries are to benefit from globalization, they need a State which can develop the institutional capabilities – both social and economic – needed for sound and equitable economic growth.
- Local action is as important as national and global action. Strong and democratic local authorities and communities are central to effective States.

# Vision: GLOBAL COMMUNITY

- This Report is a call for action based on dialogue as the foundation for a genuine global community of the future. Globalization has developed in an ethical vacuum. Market success and failure are often the ultimate standard of behaviour and a “the winner takes all” attitude weakens the fabric of communities and societies.
- Cohesive societies are built around shared values, which create a moral and ethical framework for private and public action. Such shared values include,
  - Respect for human rights and human dignity, including gender equality.
  - Respect for diversity of culture, religion, political and social opinion.
  - Fairness as a standard to judge globalization and the equity.
  - Solidarity as awareness of global citizenship and commitment to redress inequalities. It recognizes that poverty or oppression anywhere is a threat to prosperity and stability everywhere.
  - Respect for nature to make globalization ecologically sustainable.
- Globalization has made it imperative to have a better international dialogue on universally shared values. The problems lie in bridging the gap between principles and practice. The international community makes more commitments than it is prepared to implement.
- Myriad actors, both State and non-State, play critically important roles in shaping the evolution of globalization. Global networks bring together diverse groups such as youth and consumer associations, farmers, scientists, teachers, lawyers and physicians, women and indigenous peoples.
- The potential for a more participatory system of global governance lies in the evolution of expanding networks, rather than in institutional re-engineering. The way forward is to encourage more systematic dialogues within and between networks. Such dialogues widen participation, build consensus and identify needs from the perspective of those most directly concerned.



# REVIEW #2



1. Why is it necessary to have a strong social dimension to globalization?
2. How are imbalances between economy and society subverting social justice?
3. Has globalization made public opinion a potent political power in its own right?
4. What are the essentials of a social dimension to globalization?
5. Should economic rules and institutions prevail over social rules and social institutions?
6. Is the multilateral system of the United Nations an asset?
7. Do efficient markets require effective States and good governance?
8. Has globalization made it imperative to have a better international dialogue on universally shared values?
9. How important is dialogue as a foundation for a genuine global community?