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The Processes of Globalisation

What is the current state of globalisation, how are we to understand the processes involved and where will a globalised world system lead us? These are some of the questions Boaventura de Sousa Santos aims to elucidate in a thorough and wide ranging essay.

Arguing that our current globalisation is indeed something unparalleled in history, Santos discusses the unequal economic and political realities between North and South which globalisation enforces. Globalisation is to be understood as a non-linear process marked by contradictory yet parallel discourses and varying levels of intensity and speed. Even states however have to adopt as the supremacy of the nation state is eroded, giving way to new transnational alliances and the convergence of the judicial systems as the supreme regulator of a globalised economy. Will all these processes usher into a new model of social development, or will this lead to the crisis of the world system as others fear?

1. Introduction

In the last three decades transnational interactions have intensified dramatically, from the globalisation of production systems and financial transfers to the worldwide dissemination of information and images through the media, or the mass movements of people, whether as tourists or migrant workers or refugees. The extraordinary range and depth of these transnational interactions have led some authors to view them as a rupture with previous forms of cross-border interactions, a new phenomena termed "globalisation" (Featherstone, 1990; Giddens, 1990; Albownd and King, 1990), "global formation" (Chase–Dunn, 1991), "global culture" (Appadurai, 1990, 1997; Robertson, 1992), "global system" (Sklair, 1991), "global
modernity” (Featherstone et al., 1995), "global process" (Friedman, 1994), "globalisation cultures" (Jameson and Miyoshi, 1998) or "global cities" (Sassen, 1991, 1994; Fortuna, 1997). Giddens defines globalisation as "the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa” and accuses sociologists of an undue attachment to the idea of "society” as a closed system (1990: 64). Similarly, Featherstone challenges sociology to "both theorize and work out modes of systematic investigation which can clarify these globalizing processes and destructive forms of social life which render problematic what has long been regarded as the basic subject matter for sociology: society conceived almost exclusively as the bounded nation−state" (1990: 2). For the Lisbon Group, globalisation is a phase which follows after internationalisation and multinationalisation since, unlike them, it heralds the end of the national system as the central nucleus for organized human activities and strategies (Grupo de Lisboa, 1994).

A review of studies on the processes of globalisation reveals that we are facing a multifaceted phenomenon containing economic, social, political, cultural, religious and legal dimensions, all interlinked in complex fashion. Single cause explanations and monolithic interpretations of the phenomenon therefore appear inadequate. In addition, the globalisation of the last three decades, instead of conforming to the modern Western model of globalisation – that is, to a homogeneous and uniform globalisation – so keenly upheld by Leibniz as well as Marx, as much in theories of modernization as in theories of dependent development, seems to combine universality and the elimination of national borders, on the one hand, with particularity, local diversity, ethnic identity and a return to communitarian values, on the other. Moreover, it interacts in very diverse ways with other, parallel transformations in the world system, such as the dramatic rise in inequality between rich and poor countries and between the rich and the poor inside each country, overpopulation, environmental disaster, ethnic conflicts, international mass migration, the emergence of new states and the collapse or decline of others, the proliferation of civil wars, globally organized crime, formal democracy as a political condition for international aid, etc.

Before offering an interpretation of contemporary globalisation, I will briefly describe its dominant characteristics, from an economic, political and cultural perspective. I will, in passing, allude to the three most important debates which it has fostered, formulated in terms of the following questions: 1) is globalisation a new or an old phenomenon? 2) is globalisation monolithic or does it have both positive and negative aspects? 3) where does this increasing intensification of globalisation lead? In the debates surrounding globalisation there is a strong tendency to reduce it to purely economic dimensions. Without denying the importance of this, I believe that it is also necessary to pay equal attention to its social, political and cultural dimensions.

Referring to the dominant characteristics of globalisation may convey the idea that globalisation is not only a linear process but also a process of consensus. This is obviously false, as will be demonstrated later. Yet, although false, it predominates. And, although false, it nonetheless contains a grain of truth. Globalisation, far from being consensual, is, as we shall see, a vast and intense area of conflict for various social groups, states and hegemonic interests, on the one hand, and social groups, states and subordinate interests on the other and even within the hegemonic camp there are greater or lesser divisions of this. However, over and above all its internal divisions, the hegemonic camp acts on the basis of the consensus of its most influential members. It is this consensus that not only confers on globalisation its dominant characteristics, but also legitimizes them as the only ones possible or appropriate. Just as in the case with the
concepts that preceded it, such as modernisation and development, the concept of globalisation contains both a descriptive and a prescriptive component. Given the breadth of the processes at work, the prescription is, in fact, a vast set of prescriptions, all anchored in the hegemonic consensus. This consensus is known as the "neo-liberal consensus" or the "Washington Consensus", since it was in Washington in the mid eighties that the core states in the world system subscribed to it, and it covers the future of the world economy, development policies and, in particular, the role of the state in the economy.

Not all the dimensions of globalisation were inscribed within this consensus in the same way, but all were affected by its impact. The neo-liberal consensus itself is a set of four consensuses, which we shall explore, out of which others develop and will also be mentioned. This consensus has become relatively weakened today by virtue of both the rising conflicts within the hegemonic camp and the resistance which has been led by the subordinate or anti-hegemonic camp to such an extent that the present period has already been termed the post-Washington Consensus. However, it is this consensus which has led us to where we are today and it is therefore the progenitor of the characteristics which are dominant in globalisation today.

The different consensuses which constitute the neo-liberal consensus share a main idea which constitutes a meta-consensus. This central idea is that we are entering into a period in which deep political rifts are disappearing. The imperialist rivalries between the hegemonic countries, which in the XX century have provoked two world wars, have disappeared, giving rise to interdependence between the great powers, cooperation and regional integration. Nowadays only small wars exist, many of which are of low intensity and almost always on the periphery of the world system. In any case, the core countries, through various mechanisms (selective intervention, manipulation of international aid, control via the external debt) have the means to keep these focuses for instability under control. Moreover, conflicts between capital and labour which, due to poor institutionalisation, contributed towards the emergence of fascism and Nazism, became fully institutionalised in the core countries after the Second World War. Today, in the post-Fordist era, such conflicts are becoming relatively de-institutionalised without causing any instability since, in the meantime, the working class has fragmented and new class agreements are emerging which are less institutionalised and take place in less corporate contexts.

The idea that rifts between the different models of social transformation are disappearing also forms part of this meta-consensus. The first three quarters of the XX century were dominated by rivalries between two antagonistic models: revolution and reformism. If, on the one hand, the collapse of the Soviet Union and the fall of the Berlin Wall meant the end of the revolutionary paradigm, the crisis in the Welfare State in the central and semi-peripheral countries means that the reformist paradigm is equally condemned. The East-West conflict has disappeared and brought in its wake the North-South conflict, which never was a true conflict and which is nowadays a fertile field for interdependence and cooperation. In the face of this, social transformation is, from now onwards, no longer a political question but a technical question. It is nothing more than the accelerated repetition of the cooperative relationships existing between social groups and states.

Fukuyama (1992), with his idea of the end of history, conveyed this idea of the meta-consensus. Huntington (1993) seconded him with his idea of the "clash of civilisations", claiming that the rifts were now no longer political but civilisational. It is the absence of political rifts in the modern West that led Huntington to reinvent them in terms of a rupture between the West, now understood as a type of civilization, and what he mysteriously termed
the "Islamic–Confucionist connection". This meta-consensus and those which emerge from it underlie the dominant characteristics of a multifaceted globalisation which will be described here. From what has been said so far and from the analysis which will follow, it becomes clear that the dominant characteristics of globalisation are the characteristics of the dominant or hegemonic globalisation. But later, a crucial distinction will be made between hegemonic globalisation and anti-hegemonic globalisation.

2. Economic globalisation and neo-liberalism

At the beginning of the eighties, Fröbel, Heinrichs and Kreye (1980) were probably the first to speak of the emergence of a new international division of labour, based on the globalisation of production, which had been accomplished by the multinational companies, gradually converted into central actors in the new world economy. The main features of this new world economy are as follows: an economy dominated by the financial system and by investment on a global scale, flexible and multi-locational production processes, low transport costs, a revolution in information technology and communications, the deregulation of national economies, the preeminence of the multilateral financial agencies, and the emergence of the three major transnational economies: the American, based in the USA and on the special relations this country maintains with Canada, Mexico and Latin America; the Japanese, based in Japan and on its special relations with the four small tigers and the rest of Asia; and the European, based on the European Union and on its special relations with East Europe and North Africa.

These transformations have come to traverse the whole world system, although at unequal levels of intensity, in accordance with the various positions of countries within the world system. The implications of these transformations for national economic policies can be summarized in the following trends or requirements: national economies must open themselves up to the world market and domestic prices must accommodate themselves to international prices; priority should be given to the economics of exportation; monetary and fiscal policies should be guided towards a reduction in inflation and the national debt and towards vigilance in the balance of payments; rights of private ownership should be clear and inviolable; the entrepreneurial sector of the state should be privatized; private decision-making, supported by stable prices, should dictate national patterns of specialisation; there should be mobility of resources, investments and profits; state regulation of the economy should be minimal; social policies should have less priority in the state budget, with a reduction in the amount of welfare payments so that they are no longer universally applied but act only as compensatory measures for the social strata who become obviously more vulnerable as a result of market operations. (1)

Focusing on the urban impact of economic globalisation, Saskia Sassen detects profound changes in the geography, composition and institutional structure of the global economy (Sassen, 1994: 10). In terms of the new geography, she argues that "compared to the 1950s, the 1980s saw a narrowing of the geography of the global economy and a far stronger East–West axis. This is evident in the sharp growth of investment and trade within what is often referred to as the triad: the United States, Western Europe, and Japan"(Sassen, 1994:10). Another characteristic of the new geography is that direct foreign investment, of which Latin America was for some time the major beneficiary, has became directed towards East, South and Southeast Asia, where the annual growth rate rose, on average, by 37% per year between 1985 and 1989. Moreover, whilst, during the fifties, the major international flow was world trade, concentrated on raw materials and other commodities and manufactured resources, from the eighties onwards the gap between the growth rate of exports and the growth rate of the financial flow rose drastically: after the 1981–82 crisis and until 1990, direct global foreign investment
increased on average by 29% per year, a historic rise (Sassen, 1994: 14).

Therefore, in terms of institutional structure, Sassen claims that we are now facing a new international regime, based on the ascendancy of banking and international services. The multinational companies are now an important element in institutional structure, together with the global financial markets and transnational commercial blocks. According to Sassen, all these changes have contributed to the formation of new strategic locations in the world economy: export processing zones, offshore financial centres and global cities (Sassen, 1994: 18). One of the most striking transformations produced by neo–liberal economic globalisation lies in the huge concentration of economic power in the hands of the multinational companies: of the 100 largest world economies, 47 are multinational companies; 70% of world trade is controlled by 500 multinational companies and 1% of the multinational companies holds 50% of direct foreign investment (Clarke, 1996).

In short, economic globalisation is sustained by the neo–liberal economic consensus, whose three main institutional innovations are: drastic restrictions on state regulation of the economy, new rights of international ownership for foreign investors, inventors and creators of innovations likely to become intellectual property (Robinson, 1995: 373) and the subordination of national states to multilateral agencies such as the World Bank, the International Monetary Fund (IMF) and the World Trade Organisation. Given the general nature of this consensus, its prescriptions have been applied either with extreme rigour (the iron fist method) or with a degree of flexibility (the velvet glove method). For example, Asian countries avoided applying them in their entirety for a long time and some countries, such as India and Malaysia, have only succeeded in applying them selectively even today.

As we shall see, it is the peripheral and semi–peripheral countries which are most subject to the impositions of the neo–liberal prescriptions, since these can be transformed by the multilateral financial agencies into conditions for renegotiating the external debt via structural readjustment programmes. Yet, given the rising predominance of financial logic over the real economy, even the core states, whose public debt has been increasing, are subject to the decisions of the financial rating agencies, or in other words, those companies internationally accredited to assess the financial situation of states and the consequent risks and opportunities which they offer to international investors. For example, the low marks awarded by the company Moodys to the national debt of Sweden and Canada in the mid–nineties was decisive in affecting the cuts to social spending adopted by these countries (Chossudovsky, 1997: 18).

3. Social globalisation and inequality

As far as socio–political relations are concerned, it has been claimed that, although the modern world system has always been structured by a class system, a transnational capitalist class has now emerged whose field of social reproduction is the globe itself, since it easily bypasses national workers organisations, as well as the externally weak peripheral and semi–peripheral states in the world system.

The multinational companies are the main institutional form of this transnational capitalist class and the magnitude of the transformations which they are creating in the world economy is patent in the fact that more than a third of the world's industrial product is produced by them, and an even higher percentage traded amongst them. Although the newness of the structure of the multinational companies may be questioned, it seems evident that their prevalence in the world economy and the level and efficiency of the centralized management which they have
acquired distinguish them from earlier forms of international companies (Becker and Sklar, 1987: 2).

The impact of multinational companies on new class formations and on inequality on a world scale has been widely debated during recent years. Within the tradition of dependency theory, Evans was one of the first to analyse the "triple alliance" between the multinational companies, the local capitalist elite and what he calls the "state bourgeoisie" as a basis for the dynamics of industrialization and economic growth of a semi–peripheral country such as Brazil (Evans, 1979, 1986). Becker and Sklar, who proposed a theory of post–Imperialism, spoke of an emerging executive bourgeoisie, a new social class arising from relations between the administrative sector of the state and the large private or privatized companies. This new class is composed of a local and an international branch. The local branch, the national bourgeoisie, is a broad social category which encompasses the entrepreneurial elite, company directors, high–ranking state officials and influential political and professional leaders. In spite of their heterogeneity, these different groups constitute a class, according to the authors, "because its members, despite the diversity of their parochial interests, share a common situation of socio–economic privilege and a common class interest in the relations of political power and social control that are intrinsic to the capitalist mode of production." The international branch, the international bourgeoisie, is composed of the managers of the multinational companies and the directors of the international financial institutions (Becker and Sklar, 1987: 7).

The new social inequalities produced by this class structure have become fully recognised by the same multinational agencies who have been the leaders of this model of globalisation, such as the World Bank and the International Monetary Fund. For Evans, the model of industrialisation and growth based on the "triple alliance" is inherently unjust and only capable of a certain type of redistribution "from the mass of the population to the state bourgeoisie, the multinationals and the state local capital. The maintenance of the delicate balance among the three partners militates against any possibility of dealing seriously with questions of income redistribution in principle" (Evans, 1979: 288). In more recent comparisons between models and patterns of social inequality in Latin America and East Asia, Evans adds other factors which, in his opinion, may have contributed to the fact that the Asian model of development has produced relatively less inequality than the Brazilian one. From amongst these, what counts in favour of the Asian model is the greater autonomy of the state, the efficiency of the state bureaucracy, agrarian reform and the existence of an initial period of protection in relation to the capitalism of the core countries (1987).

It is evident today that the iniquities of the distribution of the world's wealth have worsened during recent decades: 54 of the 84 least developed countries saw their per capita GDP decrease in the 80s; in 14 of them this decrease was around 35%; according to the 2001 United Nations Development Programme Report (PNUD, 2001) more than 1.2 billion people (a little less than 1/4 of the world's population) live in absolute poverty, or, in other words, on an income of less than a dollar a day, and another 2.8 billion only live on twice this amount (UNDP, 2001: 9).

According to the 1995 World Bank Development Report, the group of poor countries, in which 85.2% of the world's population live, possess only 21.5% of the world's income, whilst the group of rich countries, representing 14.8% of the world population possess 78.5% of the world's income. An average African family nowadays consumes 20% less than it did 25 years ago. According to the World Bank, the African continent is the only one in which, between 1970 and 1997, there was a decrease in food production (World Bank, 1998).

The increase in inequalities has become so accelerated and so great that it is reasonable to see
the last few decades as a revolt on the part of the elites against the redistribution of wealth,
which thus ends the period of a qualified democratisation of wealth begun after the Second
World War. According to the Human Development Report of the PNUD for 1999, the 20% of
the world's population living in the richest countries possessed, in 1997, 86% of the world's
gross product, whilst the 20% of the world's poorest people held only 1%. According to the
same Report, in relation to 2001, 79% of Internet users are concentrated in the richest fifth of
the world. Inequalities such as these show how far we are from a truly global information
society. The size of the electronic communication band in São Paulo, one of the global societies,
is bigger than that of the whole of Africa. The size of the user band in the whole of Latin
America is almost the same as that which is available for the city of Seoul (UNDP, 2001: 3).

In the last thirty years, inequality in the distribution of revenue between countries has increased
dramatically. The difference in revenue between the five richest and the five poorest was, in
1960, 30 to 1, in 1990, 60 to 1 and, in 1997, 74 to 1. The 200 richest people in the world more
than doubled their wealth between 1994 and 1998. The wealth of the three richest billionaires in
the world exceeded the sum of the gross domestic product of the 48 least developed countries in
the world (UNDP, 2001).

The concentration of wealth produced by neo−liberal globalisation has reached scandalous
proportions in the country which has led the implementation of the new economic model, the
USA. Already by the end of the eighties, according to data from the Federal Reserve Bank, 1%
of North American families held 40% of the country's wealth and the richest 20% held 80% of
the wealth of the country. According to the Bank, this concentration had no precedent in the
history of the USA and no comparison with any other industrialized country (Mander, 1996:
11).

In terms of social globalisation, the neo−liberal consensus is what growth and economic
stability use as the basis for a reduction in salary costs, for which it is necessary to liberalise the
labour market by reducing labour costs, outlawing the indexing of salaries to increases in
productivity and adjustments in relation to the cost of living, and eliminating legislation on
minimum wages. The aim is to prevent "the inflationary impact of salary increases". The
contraction of domestic purchasing power resulting from this policy should be resolved by
searching out foreign markets. The economy is thus desocialised, the concept of the consumer
replaces that of the citizen and the criteria for inclusion is no longer a right, but a condition of
being solvent. The poor are the insolvent (including those consumers who have overstepped
their debt limits). The measures adopted to fight poverty should preferably be compensatory
measures to lessen, but not eliminate, exclusion, since it is an inevitable (and therefore
justifiable) effect of development based on economic growth and global competition. This
neo−liberal consensus amongst the core countries is also imposed on peripheral and
semi−peripheral countries through control of the external debt, effected by the International
Monetary Fund and the World Bank. Hence these two institutions are considered responsible for
the "globalisation of poverty" (Chossudovsky, 1997). The new globalised poverty is not the
result of any lack of human or material resources, but of unemployment, the destruction of
subsistence economies and the reductions in salary costs on a worldwide scale.

According to the World Health Organisation, poor countries suffer 90% of the illnesses which
occur in the world, but do not possess more than 10% of the resources which are spent globally
on health; one fifth of the world's population has no access to modern health services and half
of the world's population has no access to essential medicines. Health is perhaps the area in which
the inequities of the world are revealed most shockingly. According to the latest United Nations
In 1998, 968 million people had no access to drinking water and 2.4 billion (a little less than half the world’s population) had no access to basic health care; in 2000, 34 million people were infected with HIV/AIDS, of whom 24.5 million were in Sub-Saharan Africa (UNAIDS, 2000: 6); in 1998, 12 million children (under 5 years of age) died each year of curable illnesses (UNICEF, 2000). The illnesses which affect the poor populations of the world most are malaria, tuberculosis and diarrhea.(4) Moreover, nothing could be more shocking in this survey than the worldwide distribution of spending on health and medical research. For example, only 0.1% of the budget for world medical and pharmaceutical research – around 100 million dollars in 1998 (UNDP, 2001: 3) – is destined to be spent on malaria, whilst almost all of the 26.4 billion dollars invested in research by the multinational pharmaceutical companies is destined to be spent on the so-called "illnesses of the rich countries": cancer, cardiovascular diseases, diseases of the nervous system, endocrine and metabolism diseases. This is hardly surprising if we bear in mind the fact that Latin America represents only 4% of global pharmaceutical sales and Africa 1%. This is also why only 1% of the new drugs commercially developed by the pharmaceutical companies between 1975 and 1997 were specifically destined for the treatment of the tropical diseases which affect the Third World (Silverstein, 1999).

In spite of the shocking rise in inequality between poor and rich countries, only four of the latter fulfill their moral obligation to contribute 0.7% of their Gross Domestic Product to aid development. Moreover, according to data from the OECD, this percentage dropped, between 1987 and 1997, from 0.33 to 0.22 (OECD/DAC, 2000). The most perverse factor in international aid programmes is that they mask other mechanisms for financial transfer, in which the flow is predominantly from the poorer to the richer countries. This is what happens, for example, with the external debt. The total value of the external debt in Sub-Saharan African countries (in millions of dollars) rose between 1980 and 1995 from 84.19 to 226.483; during the same period, as a percentage of the GDP, it rose from 30.6% to 81.3% and, as a percentage of exports, from 91.7% to 241.7% (World Bank, 1997: 247). At the end of the XX century Africa was paying 1.31 dollars in external debt for every dollar of international aid which it received (World Bank, 2000). The International Monetary Fund has basically functioned as an institution which guarantees that poor countries, many of which are becoming even poorer and falling further into debt, pay their debts to rich countries (in the form of states, private banks, and multilateral agencies) under terms (interest rates, for example) imposed by them. In addition, the liquid transfer from South to North is assuming many other forms, such as, the "brain drain" : according to the United Nations, around 100,000 Indian professionals have emigrated to the USA, representing a 2 billion dollar loss for India (UNDP, 2001: 5).

4. Political globalisation and the nation state

The new international division of labour, in conjunction with the new "pro–market"political economy has also brought important changes to the inter–state system, the political form of the modern world system. On the one hand, the hegemonic states, are, either themselves or through the international institutions they control, (especially the multilateral financial institutions), constraining the political autonomy and effective sovereignty of the peripheral and semi–peripheral states with an unprecedented intensity, although the ability of the latter to resist and negotiate may vary immensely. On the other hand, there has been an increased tendency towards inter–state political agreements (the European Union, NAFTA, Mercosul). In the case of the European Union, these agreements have evolved through forms of joint or shared sovereignty. Last, but by no means least, the nation state seems to have lost its traditional centrality as the as the favoured unit for economic, social and political initiatives. Intensifying
interactions across borders and transnational practices have eroded the ability of the nation state to guide or control the flow of people, goods, capital or ideas as it did in the past.

Far from being a new phenomenon, the impact of the international context on the regulation of the nation state is inherent in the modern interstate system and inscribed in the Treaty of Westphalia itself (1648), which established it. Nor is the fact that the international context tends to exert a particularly strong influence over the legal regulation of the economy anything new, as can be witnessed in the various projects for the standardization and unification of economic law developed throughout the XX century by specialists in comparative law and implemented by international organisations and national governments. As the names of the projects themselves indicate, international pressure has traditionally been felt in uniformity and standardisation, clearly illustrated by the pioneering projects of Ernest Rabel at the beginning of the 30s and by the establishment of the International Institute for the Unification of Private Law (UNIDROIT), which aimed to unify international contract law and led, for example, to a uniform law for the drawing up of international sales contracts (ULFIS, 1964) and a Convention on the international sales of goods (CISG, 1980) (van der Velden, 1984: 233).

The tradition of globalisation is, for some, even longer. Tilly, for example, distinguishes between four waves of globalisation in the previous millennium: in the 13th, 16th and 19th centuries and at the end of the 20th century (1995). Despite this historical tradition, the current impact of globalisation on state regulation seems to be a qualitatively new phenomenon for two main reasons. Firstly, it is a very broad and vast phenomenon which covers a very large area of state intervention requiring drastic changes to the model of intervention. For Tilly, what distinguishes the present wave of globalisation from the one which took place in the XIX century is the fact that the latter contributed towards strengthening of the powers of the central (Western) states, whilst current globalisation is weakening the powers of the state. The pressure on states is now relatively monolithic – the "Washington Consensus" – and under its terms the market-orientated model of development is the only model compatible with the new global regime of accumulation, so that it is therefore necessary to impose structural adjustment policies on a global scale. This central pressure operates and reinforces itself in conjunction with such phenomena and developments as the end of the Cold War, the dramatic new innovations in communications and information technology, the new flexible systems of production, the emergence of regional blocks, the proclamation of liberal democracy as a universal political regime, the global imposition of a standard legal model for the protection of intellectual property, etc.

When compared to previous processes of transnationalisation, the scope of these pressures becomes particularly evident, since they occur after decades of intense state regulation of the economy, in the core countries as well as in the peripheral and semi-peripheral countries. The creation of standard and institutionalised requirements for the operations of the neo-liberal model of development therefore involves such wholesale institutionalised and uniform destruction that it affects not only the role the state plays in the economy, but also the global legitimacy of the state to organize society.

The second new factor in present day political globalisation is that the asymmetrical balance of transnational power between the core and the periphery of the world system i.e., between North and South, is nowadays much more dramatic than ever before. In fact, the sovereignty of the weakest states is now directly threatened, not so much by the most powerful states, as had been the case in the past, but, above all, by the international financial agencies and other private transnational actors, such as multinational companies. The pressure is thus supported by a
relatively cohesive transnational coalition using powerful, worldwide resources.

Taking into account the situation in Europe and North America, Bob Jessop identifies three general trends in the transformation of state power. Firstly, the *denationalisation* of the state, a particular stripping down of national state apparatuses resulting from the fact that both the old and new capacities of the state are being reorganised, territorially as well as functionally, at both a sub-national and a supra-national level. Secondly, the *denationalisation of political regimes*, reflected in the transition from the concept of *government* to that of *governance*, or rather from a model of social and economic regulation based on the central role of the state, to one which is based on partnerships and other forms of association with governmental, para-governmental and non-governmental organisations, in which the state apparatus exercises only coordinating tasks as a *primus inter pares*. Finally, a tendency towards the *internationalisation of the national state*, reflected in the rising strategic impact of the international context on state activities, which can involve expanding the field of action of the national state whenever internal circumstances need to be accommodated to extra-territorial or transnational demands (Jessop, 1995:2).

Although not entirely absorbed by it, it is in the field of economics that the transnationalisation of state regulation has acquired the greatest saliency. As far as the peripheral and semi-peripheral countries are concerned, the policies of "structural adjustment" and of "macroeconomic stabilisation" – imposed as a condition for the renegotiation of the external debt – cover a huge area of economic intervention, causing great upheaval in the social contract, in legal frameworks and in institutional moulds: the liberalisation of markets; the privatisation of industries and services; the deactivation of regulatory and licensing agencies; the deregulation of the labour market and the "flexibility" of salary negotiations; the, at least partial, reduction and privatisation of welfare services (privatisation of pension schemes, the sharing of social services costs by the users, more restrictions on eligibility for social assistance, expansion of the so-called third sector (the private, non-profit making sector), the creation of markets within the state itself, such as, for example, commercial competition between public hospitals); less concern over environmental issues; educational reform directed more towards professional training than building citizenship; etc. All these demands of the "Washington Consensus" require substantial legal and institutional changes. Given that these changes take place at the end of a relatively lengthy period of state intervention in social and economic life (notwithstanding considerable differences within the world system), the retraction of the state can only be achieved through strong state intervention. The state has to intervene in order to no longer intervene, or, in other words, it has to regulate its own deregulation.

A deeper analysis of the dominant features of political globalisation – which are, in fact, the features of the dominant political globalisation – leads to the conclusion that three components of the Washington Consensus underlie it: the consensus of the weak state, the consensus of liberal democracy and the consensus of the supremacy of the law and the judicial system.

The *consensus of the weak state* is, without doubt, the most central and there is ample proof of this in what has been previously written. It is based on the idea that the state is the opposite of civil society and potentially its enemy. The neo-liberal economy needs a strong civil society and it requires the state to be weak in order for it to exist. The state inherently oppresses and limits civil society, and only by reducing its size is it possible to reduce its harmful effects and thus strengthen civil society. Hence the weak state tends also to be a minimal state. This idea was originally defended by liberal political theory, but was gradually abandoned once national capitalism, as a social and political relationship, demanded greater state intervention. Thus, the
idea of the state as the opposite of civil society was replaced with the idea of the state as the mirror of civil society. From that point onwards, a strong state became a condition for a strong civil society. The consensus of the weak state aims to reintroduce the original liberal idea.

This repositioning has proved to be extremely complex and contradictory and, perhaps because of this, the consensus of the weak state is, of all the neo-liberal consensuses, the most fragile and the one most subject to correction. This is because the "shrinking" of the state – produced by well-known mechanisms such as deregulation, privatisation and the reduction of public services – occurs at the end of a period of around one hundred and fifty years of continuous regulatory state expansion. Therefore, as previously mentioned, deregulation implies intense state regulatory activity in order to end former state regulation and to create the standards and institutions which will preside over the new model of social regulation. Such activities can only be accomplished by an effective and relatively strong state. Just as the state has to intervene in order to stop intervening, only a strong state can efficiently create its own weakness. This contradiction was responsible for the strategic failure of USAID and the World Bank in the political reform of the Russian state after the collapse of communism. The reforms were based on the almost total dismantling of the Soviet state in the expectation that a weak state would emerge out of the ruins and, consequently, a strong civil society. To the surprise of the originators, what actually emerged out of these reforms was a mafia-style government (Hendley, 1995). Perhaps because of this, the consensus of the weak state was the one which first gave signs of weakness, as the World Bank 1997 report dedicated to the state clearly shows, in which the idea of state regulation is resurrected and the main emphasis is on effective state action (World Bank, 1997).

The consensus of liberal democracy aims to give a political shape to the weak state by once more resorting to liberal political theory which, particularly when it originated, had defended the necessary convergence of political liberty and economic liberty, free elections and free markets as two sides of the same coin: the common good achieved through the actions of utilitarian individuals involved in competitive exchanges with the minimum of state interference. The global imposition of this hegemonic consensus has created many problems, not the least because it is a monolithic model applied to very distinct societies and circumstances. For this reason, the democratic model adopted as a political condition for international aid and finance tends to become converted into an abbreviated version, if not a caricature of liberal democracy. To verify this, it is enough to compare the politics of the countries subject to World Bank conditions with the characteristics of liberal democracy as described by David Held: an elected government; free and fair elections in which each citizen's vote carries equal weight; suffrage for all citizens regardless of race, religion, class, sex etc., freedom of conscience, information and expression in all broadly-defined public matters; the right of all adults to oppose the government and stand for election; freedom and independence of association, understood as the right to create independent associations, including social movements, interest groups and political parties (1993: 21). Clearly the irony of this list is that the real democracies of the hegemonic countries themselves are, if not caricatures, at the very least, abbreviated versions of this model of liberal democracy.

The consensus of the supremacy of the law and the judicial system is one of the essential components of the new political form of the state and it is also the one which best seeks to bind political globalisation to economic globalisation. The model of development guaranteed by the Washington Consensus demands a new legal framework suited to the liberalisation of markets, investments and the financial system. In a model based on privatisation, private initiative and market supremacy, the principles of order, reliability and trust cannot be commanded by the
state. They can only come from the law and the judicial system, as a set of independent and universal systems which create standard expectations and resolve litigation through legal frameworks which are presumed to be understood by everyone. The preeminence of individual ownership and of contacts further reinforces the supremacy of the law. In addition, the expansion of consumerism, which is the driving force behind economic globalisation, is not possible without the institutionalisation and popularisation of consumer credit and this is not possible without the creditable threat of sanctions for those who are unable to pay, which, in turn, is only made possible by the extent to which an effective judicial system operates.

In terms of the Washington Consensus, the central responsibility of the state is to create a legal framework and effective conditions within which the legal and judicial institutions can function to make the routine flow of infinite interactions possible between citizens, economic agents and the state itself.

Another important theme in the analysis of the political dimensions of globalisation is the increasing role of supra–state forms of government, or, in other words, the international political agencies, the multilateral financial agencies, the supra–national political and economic blocs, the global think tanks, the different forms of global law (ranging from the new lex mercatoria to human rights). Again, in this case, the phenomenon is not new, since the interstate system we have lived under since the 17th century has, particularly since the 19th century, promoted standard international consensuses which translate into international organisations. Then, as today, these organisations have functioned as the common property of the core countries. What is new is the extent and power of transnational institutionalisation over the last three decades. This is one of the senses in which the emergence of global governance (Murphy, 1994) has come to be used. The other sense, which is more prospective and utopian, relates to the enquiry into the transnational political institutions which will, in future, correspond to the economic and social globalisation currently in progress (Falk, 1995; Chase–Dunn et al., 1998). They refer to the need to think in terms of a "world state" or "world federation", which is democratically controlled and whose function is to peacefully resolve conflicts between states and global agents. Some authors have transposed the structural conflicts of the previous period onto the new arena of globalisation and imagine the political counterparts which this will bring into being. Just as the global capitalist class is attempting to form its own global state with the World Trade Organisation as its vanguard, so the socialist forces should create a "world party" to serve the "world socialist community" or "global democratic community" based on collective rationality, liberty and equality (Chase–Dunn et al., 1998).

5. Cultural globalisation or global culture?

Cultural globalisation has assumed a special relevance with the so–called "cultural swing" of the eighties, or, in other words, the change of emphasis in the social sciences from socio–economic phenomena to cultural phenomena. The "cultural swing" has rekindled the question of causal pre–eminence in the explanation of social life and, with this, the question of the impact of cultural globalisation.(5) The question is to determine whether the normative and cultural dimensions of the process of globalisation play a primary or a secondary role. Whilst for some they have a secondary role, given that the capitalist world economy is more integrated into political and military power and market independence then into a normative and cultural consensus (Chase–Dunn, 1991: 88), for others, political power, cultural domination and institutionalized values and norms precede market dependence in the development of the world system and the stability of the interstate system (Meyer, 1987; Bergesen, 1990). Wallerstein sociological reading of this debate claims that "it is no accident [...] that there has been so much
discussion these past 10 to 15 years about the problem of culture. It follows upon the decomposition of the nineteenth century double faith in the economic and political arenas as loci of social progress and therefore of individual salvation" (Wallerstein, 1991a: 198).

Although the question of the original matrix of globalisation is posed in relation to each of the dimensions of globalisation, it is in the domain of cultural globalisation that it is posed more acutely or more frequently. The issue is to determine whether what is termed globalisation should not be more correctly termed Westernisation or Americanisation (Ritzer, 1995), since the values, cultural artifacts and universal symbols which are globalised are Western and, often, specifically North American, whether individualism, political democracy, economic rationality, utilitarianism, the supremacy of law, the cinema, advertising, television, the Internet etc.

In this context, the electronic media, especially television, have become one of the great issues of the debate. Although the importance of the globalisation of the media is emphasised by all, not everyone draws the same conclusions from this. Appadurai, for example, sees in this one of the two factors (the other is mass migration) responsible for the rupture with the period we have just left behind (the world of modernisation) and the period we are just entering (the post–electronic world) (Appadurai, 1997). The new period is distinguished by "work of the imagination", due to the fact that the imagination has been transformed into a social and collective fact. It is no longer confined to the romantic individual and the expressive space of art, myth and ritual but is part of the everyday life of ordinary citizens (ibid.: 5). The post–electronic imagination, combined with the dispossession caused by migrations, has enabled the creation of transnational symbolic universes, "communities of feeling", prospective identities, shared tastes, pleasures and aspirations, in sum, what Appadurai calls "public diaspora spheres"(ibid.: 4). From another perspective, Octávio Ianni speaks of the "electronic principle"—the set of electronic, informational and cybernetic technologies for information and communication, with particular reference to television—which have turned themselves into "architects of the electronic agora in which everybody is represented, reflected, deflected or disfigured, without the risk of sociability, or of experience" (Ianni, 1998: 17).

This theme acts in conjunction with another equally central one within the context of cultural globalisation, that of determining to what point globalisation creates homogeneity. If, for some authors, the specific features of local and national cultures are at risk (Ritzer, 1995), for others globalisation produces homogeneity as much as it produces diversity (Robertson and Khondker, 1998). Institutional similarity, particularly in economic and political domains, coexists with the affirmation of differences and particularities. For Friedman, cultural and ethnic fragmentation on the one hand and modernist homogeneity on the other, are not two opposing perspectives of what is taking place, but rather two trends which both constitute global reality (Featherstone, 1990: 311). In the same way, Appadurai emphasizes that the electronic media, far from being the opium of the people, are actively processed by individuals and by groups, and are fertile ground for exercises in resistance, selectivity and irony (1997: 7). Appadurai has come to stress the growing role of the imagination in a social life dominated by globalisation. It is through imagination that citizens are disciplined and controlled by states, markets and other dominant interests but it is also through imagination that citizens develop collective systems of dissidence and new representations of collective life (1999: 230).

What is not clear in these positions is the elucidation of the social power relations which preside over the production of both homogeneity and differentiation. Without this elucidation these two "results" of globalisation are both put on the same footing, without determining the ties and the hierarchy between them. This elucidation is particularly useful for a critical analysis of the
process of hybridisation or creolisation which result from the confrontation or cohabitation of homogenizing trends and particularizing trends (Hall and McGrew, 1992; Appadurai, 1997: 43).

Another central theme in the discussion of the cultural dimensions of globalisation – also related to the previous debate – refers to the question of determining whether, in recent decades, a global culture has emerged (Featherstone, 1990; Waters, 1995). It has been understood for a long time that since at least the 16th century a hegemonic ideology of European science, economics, politics and religion has produced, through cultural imperialism, some similarities between the different national cultures in the world system. The question now is to know whether, in addition to this, certain cultural forms have emerged in recent decades which are transnational in origin or whose national origins are relatively unimportant in view of the fact that they circulate throughout the world more or less without roots in any national culture. These cultural forms are identified by Appadurai as mediascapes and ideoscapes (1990), by Leslie Sklair (1991) as the consumerist culture–ideology and by Anthony Smith as a new cultural imperialism (1990). From another perspective, the theory of international regimes has begun to draw our attention towards the processes of forming consensuses on a world level and to the emergence of a normative global order (Keohane and Nye, 1977; Keohane, 1985; Krasner, 1983; Haggard and Simmons, 1987). And, from yet another perspective, the theory of international structure accentuates the way in which Western culture has created social actors and significant cultures for the whole world (Thomas et al., 1987).

The idea of a global culture is clearly one of the main projects of modernity. As Stephen Toulmin (1990) brilliantly demonstrates, this can be identified from Leibniz to Hegel and from the 17th century until our own. Sociological attention given to this idea in the last three decades has, nevertheless, had a specific empirical base. It is believed that the dramatic intensification of transfrontier flows of goods, capital, work, people, ideas and information has given rise to convergences, similarities and hybrids between the different national cultures, whether they are architectural styles, fashion, eating habits or cultural consumption. Nevertheless most of the authors maintain that, although important, these processes are far from leading to a global culture.

Culture is, by definition, a social process constructed on the intersection between the universal and the particular. As Wallerstein points out, "defining a culture is a question of defining frontiers" (1991a: 187). Similarly, Appadurai states that the cultural is the arena of differences, contrasts and comparisons (1997: 12). We may even state that that culture is, in its simplest definition, the struggle against uniformity. The powerful and involved processes of the diffusion and imposition of culture, imperially defined as universal, have been confronted throughout the world system by multiple and ingenious processes of cultural resistance, identification and indigenisation. However, the topic of global culture does have the merit of showing that the political struggle surrounding cultural homogeneity and uniformity has transcended the territorial configuration in which it was located from the 19th century until very recently, that is, the nation state.

In this respect, the nation states have traditionally played a very ambiguous role. Whilst externally they have been the heralds of cultural diversity and the authenticity of national culture, internally they have promoted homogeneity and uniformity, crushing the rich variety of local cultures existing in within national territories through the power of politics, law, the education system or the media and, more often than not, through all of them together. This role has been carried out with very varied intensity and efficiency in the core, peripheral and semi–peripheral states, and may now be changing as part of the ongoing transformations to the
regulatory capacities of nation states.

Under the conditions of the world capitalist economy and the modern inter-state system, there seems only to be space for partial global cultures. They are partial, whether in terms of the aspects of social life which they cover or in terms of the regions of the world they cover. Smith, for example, speaks of a European "family of cultures", which consists of wide-reaching and transnational political and cultural motifs and traditions (such as Roman law, Renaissance humanism, the rationalism of the Enlightenment, Romanticism and democracy), "which have surfaced in various parts of the continent at different times and in some cases continue to do so, creating or recreating sentiments of recognition and kinship among the peoples of Europe" (1990: 187). Seen from outside Europe, particularly by regions and people intensively colonised by the Europeans, this family of cultures is the quintessential version of Western imperialism, in the name of which so much tradition and cultural identity has been destroyed.

Given the hierarchical nature of the world system, it becomes crucial to identify the groups, classes, interests and states which define partial cultures as global cultures, and which, in this way, control the agenda of political domination under the guise of cultural globalisation. If it is true that the intensification of cross-border contacts and interdependence has opened up new opportunities for the exercise of tolerance, ecumenism, solidarity and cosmopolitanism, it is no less true that, at the same time, new forms and manifestations of intolerance, chauvinism, racism and xenophobia and, in the last instance, imperialism have also arisen. Partial global cultures can, in this way, have very different characters, scope and political profiles.

In the current circumstances it is only possible to visualise pluralist or plural global cultures. (6) This is why the majority of authors assume a prescriptive or prospective stance when they talk about global culture in the singular. For Hannerz, cosmopolitanism "includes a stance toward the coexistence of cultures in the individual experience [...] an orientation, a willingness to engage with the Other [...] an intellectual and aesthetic stance of openness toward divergent cultural experiences" (1990: 239). Chase-Dunn, in turn, whilst removing the "standard universalism" of Parsons (1971) from its pedestal as an essential feature of the world capitalist system currently in force, proposes that this universalism should be transposed to "a new level of socialist meaning, albeit with a sensitivity to the virtues of ethnic and national pluralism" (1991: 105; Chase-Dunn et al., 1998). Finally, Wallerstein imagines a world culture only in a future libertarian-egalitarian world, although even there a space would be reserved for cultural resistance: the constant creation and recreation of specific cultural entities "whose object (avowed or not) would be the restoration of the universal reality of liberty and equality" (1991a: 199).

Within the cultural domain, the neo-liberal consensus is very selective. Cultural phenomena are only of interest in so far as they transform themselves into merchandise which can then follow the trail of economic globalisation. Thus the consensus relates, above all, to technical and legal support for the production and circulation of the products of the culture industries such as, for example, communications and information technology and the rights of intellectual property.

6. The natures of globalisations

References made in previous sections to the dominant facets of what is usually termed globalisation, in addition to omitting an underlying theory of globalisation, may well give the false impression that globalisation is a linear phenomenon, both monolithic and unequivocal. This idea of globalisation, although false, is prevalent nowadays, and tends to be all the more so
for the globalisation which flows from scientific discourse into political discourse and thence into everyday language. Apparently transparent and without complexity, the idea of globalisation masks more than it reveals of what is happening in the world. And what it masks or hides is, when viewed from a different perspective, so important that the transparency and simplicity of the idea of globalisation, far from being innocent, must be considered as an ideological and political device endowed with specific intentionalities. Two of these intentionalities should be stressed.

The first is what is known as the determinist fallacy. It consists of inculcating the idea that globalisation is a spontaneous, automatic, unavoidable and irreversible process which intensifies and advances according to an inner logic and dynamism strong enough to impose themselves on any external interferences. The most circumspect of academics, as well as the ambassadors of globalisation embrace this fallacy. From amongst the former, I would point out Manuel Castells, for whom globalisation is the unavoidable result of the revolution in information technology. According to him, the new economics "is informational because the productivity and competitiveness of units or agents in this economy fundamentally depend upon their capacity to generate, process and apply efficiently knowledge–based information. It is global because the core activities of production, consumption, and circulation, [...] are organized on a global scale [...]" (1996: 66). The fallacy consists in transforming the causes of globalisation into its effects. Globalisation results, in fact, from a set of political decisions which are identifiable in time and authorship. The Washington Consensus is a political decision of the core states, as are the decisions of the states which adopted it with a greater or lesser degree of autonomy and selectivity. We cannot forget that, to a great extent, and above all on an economic and political level, hegemonic globalisation is a product of the decisions of national states. The deregulation of the economy, for example, has been an eminently political act. The proof of this lies in the diverse responses of the national states to the political pressures currently emerging out of the Washington Consensus.(7) The fact that these political decisions have, in general, converged over a short period of time, and given that many states had no alternative to decide in a different way, does not eliminate the political nature of the decisions but merely decentres them and their political process. Equally political in nature are the reflections on the new forms of state which are emerging as a result of globalisation, on the new political distribution of national, international and global practices, and on the new form of public policies relating to the rising complexity of social, environmental and redistribution issues.

The second political intentionalities of the non–political nature of globalisation is the fallacy of the disappearance of the South. According to this fallacy, North/South relations have never constituted a real conflict, but, rather, over a lengthy period of time the two poles of the relationship have become easily identifiable, with the North producing manufactured products whilst the South supplied the raw materials. The situation began to change in the sixties (taking into account theories of dependency or dependent development) and was radically transformed from the eighties onwards. Today, whether on a financial level, or on the level of production or even of consumption, the world has become integrated into a global economy in which, faced with multiple interdependencies, it no longer makes sense to distinguish between North and South and, furthermore, between the core, periphery and semi–periphery of the world system. The more triumphant the concept of globalisation is, the less visible the South, or the hierarchies of the world system, become. The idea is that globalisation has a uniform impact on all the regions of the world and on all sectors of activity and that its architects, the multinational companies, are infinitely innovative and have the ability to organise well enough to transform the new global economy into an unprecedented opportunity.
Even the authors who recognise that globalisation is highly selective, produces imbalances and has a variable geometry, tend to think that it has destructured the hierarchies of the previous world economy. The case made by Castells, for whom globalisation has put an end to the idea of the "South" and even of the "Third World", is a novelty, given that the differentiation between countries, within countries and amongst regions is becoming increasingly large (1996: 92, 112). According to him, the latest international division of labour has not occurred amongst countries but amongst economic agents and distinct positions in the global economy which compete globally, using the technological infrastructure of the information economy and the organizational structure of networks and flows (1996: 147). In this sense it also no longer makes sense to distinguish between the core, periphery and semi-periphery in the world system. The new economy is a global economy, as distinct from the world economy. Whilst the latter is based on the accumulation of capital, obtained throughout the world, the global economy is able to function as a unit in real time and on a planetary scale (1996: 92).

Without wishing to diminish the importance of the transformations taking place, I do however think that Castells takes the image of globalisation as an all-powerful bulldozer, against which there can be no possible resistance, at least in economic terms, too far. And equally, he takes the idea of the segmentation of the processes of inclusion–exclusion which are taking place too far. In the first place, it is Castells himself who recognises that the processes of exclusion can extend to an entire continent (Africa) and entirely dominate the processes of inclusion in a subcontinent (Latin America) (1996: 115–136). Secondly, even admitting that the global economy no longer needs geo-political areas in which to reproduce itself, the truth is that the external debt continues to be accounted for in terms of individual countries and it is through this and through the financialisation of the economic system that the poor countries of the world have become transformed, from the eighties onwards, into net contributors to the wealth of the rich countries. In third place, contrary to what may be understood from the framework drawn up by Castells, the convergence of countries in the global economy is as significant as their divergence and this is particularly obvious in the core countries (Drache, 1999: 15). Since salary and social security policies continue to be defined on a national level, liberalisation measures taken since the eighties have not significantly reduced the differences in labour costs in the different countries. Therefore in 1997, the average hourly rate of pay in Germany (32$ US) was 54% higher than in the USA (17.19$ US). Even within the European Union, where in recent decades policies of "deep integration" have been taking place, the differences in productivity and salary costs have been maintained, with the exception of England, where salary costs have been reduced by 40% since 1980. Taking West Germany as a term of reference (100%), productivity in Portugal was, in 1998, 34.5% and salary costs 37.4%. The figures for Spain were 62% and 66.9%, respectively, for England 71.7% and 68% and for Ireland 69.5 e 71.8% (Drache, 1999: 24).

Finally, it is difficult to maintain that the excluding selectivity and fragmentation of the "new economy" has destroyed the concept of the "South" when, as we have seen, the disparity in the wealth of the poor and rich countries has risen constantly in the last twenty or thirty years. It is true that the liberalization of markets has destructured the processes of inclusion and exclusion in different countries and regions. However, the most important thing is to analyse the ratio between inclusion and exclusion in each country. It is this ratio which determines whether the country belongs to the North or the South and to the core, periphery or semi-periphery of the world system. The countries in which integration into the world economy is processed primarily as exclusion are the countries of the South and the periphery of the world system.

These transformations deserve detailed attention, but there can be no doubt that only the ideological swings which have occurred in the scientific community in the North as well as in
the South can explain how the iniquities and imbalances in the world system, despite having increased, have lost their analytical centrality. Thus, the "end of the South", and the "disappearance of the Third World" are, above all, a product of changes in the "sociological sensibility" which must, themselves, become an object of scrutiny. With some authors, the end of the South or the Third World is not the result of specific analysis of the South or the Third World but only of the "forgotten" status to which they are relegated. Globalisation is seen from the point of view of the core countries, taking into account their experiences. This is particularly the case of the authors who focus on economic globalisation. Yet culturalist analyses frequently commit the same error. As an example, the reflexive theories applied to modernity, globalisation or accumulation (Beck, 1992; Giddens, 1991; Lash and Urry, 1996) and, in particular, the idea of Giddens that globalisation is "reflexive modernisation", forget that the great majority of the world's population are suffering the consequences of a modernity or a globalisation which is not in the least reflexive or that the great majority of workers live under regimes of accumulation which are the polar opposite of reflexive accumulation.

Both the determinist fallacy and the fallacy of the disappearance of the South have come to lose credibility as globalisation transforms itself into a social and political area of conflict. If, for some, it is still considered a great triumph of rationality, innovation and liberty, capable of producing infinite progress and unlimited abundance, for others it is an anathema, since it brings misery, marginalisation, and the exclusion of the great majority of the world's population in its wake, whilst the rhetoric of progress and abundance becomes, in reality, merely an increasingly select club of privileged members.

In these circumstances, it is not surprising that in recent years various discourses on globalisation have emerged. Robertson (1998), for example, distinguishes between four main globalisation discourses. Regional discourse, such as, for example, the Asian discourse, the Western European discourse or the Latin American discourse have a civilisational tone, in which globalisation confronts regional particularities. Within the same region, there may be different sub-discourses. For example, in France there is a strong tendency to view globalisation as an "Anglo-American" threat to French society and culture and to that of the other European countries. Yet, as Robertson remarks, the anti-globalisation of the French can easily be converted into a French globalisation project. The disciplinary discourse relates to the way in which globalisation is seen by the different social sciences. The most salient feature of this discourse is the emphasis given to economic globalisation. Ideological discourse can intersect with either of these and relates to a political evaluation of the processes of globalisation. The anti-globalisation discourse opposes pro-globalisation discourse and within both it is possible to distinguish left and right wing positions. Finally there is feminist discourse which, having started off as an anti-globalisation discourse – favouring the local and attributing male concerns to the global – is nowadays also a discourse of globalisation and is distinguished by the emphasis it places on the community aspects of globalisation.

The plurality of discourses on globalisation show that it is imperative to produce a critical theoretical reflection on globalisation and to do so in such a way as to capture the complexity of the phenomena it involves and the disparate interests it confronts. The theoretical proposal which I present here arises from three apparent contradictions which, in my understanding, confer on the historical period in which we are living its specifically transitional nature. The first contradiction is between globalisation and localisation. The present time reveals itself to us as dominated by a dialectic, at the heart of which the processes of globalisation occur parallel to the processes of localisation. In fact, as interdependence and global interactions intensify, social relations in general seem to be increasingly more dispossessed, opening up the way towards
new rights of choice, which cross borders that until recently were policed by tradition, nationalism, language or ideology and frequently by a combination of all these factors. Yet, on the other hand, in apparent contradiction to this trend, new regional, national and local identities are emerging, constructed around the new preeminence of the rights to roots. Such local factors, though they refer to real or imaginary territories as much as to ways of life and social relationships, are based on face-to-face relationships, on closeness and on interaction.

Territorial localisms are, for example, those favoured by people who, after centuries of genocide and cultural oppression, have finally reclaimed the right to self-determination within their ancestral territories, with some measure of success. This is the case of the indigenous people of Latin America and also Australia, Canada and New Zealand. Translocalised localisms, in turn, are promoted by translocalised social groups, such as the Arab immigrants in Paris or London, the Turkish immigrants in Germany or the Latin American immigrants in the USA. For these groups territory is the idea of territory, as a way of life, in terms of closeness, immediacy, belonging, sharing and reciprocity. Moreover, this repossession, which usually occurs on an inter-state level, can also occur on a supra-state level. A good example of this is the European Union, which, whilst deterritorialising social relations between the citizens of the member states, reterritorialises social relations with other states ("Fortress Europe").

The second contradiction is between the nation state and the transnational non-state. The preceding analysis on the different dimensions of the dominant globalisation showed that one of the most controversial points in debates on globalisation is the question of the role of the state in the era of globalisation. If, for some, the state is obsolete and on its way to extinction or, at the least, very much weakened in its capacity to organise and regulate social life, for others the state continues to be the central political entity, not only because the erosion of sovereignty is very selective but, more importantly, because the institutionalisation of globalisation itself – from the multilateral financial agencies to the deregulation of the economy – is created by the national states. Each of these positions captures part of the ongoing process. None of them, however, does justice to the transformations as a whole because these are, in fact, contradictory and include processes of state affirmation – to the extent to which it may be stated that states have never been so important as they are today – as well as processes of privatization, in which highly important interactions, networks and transnational flows take place without any significant interference from the state, in contrast with what had happened in the previous era.

The third contradiction, which is of a political and ideological nature, exists between those who see in globalisation the finally indisputable and unconquerable energy of capitalism and those who see in it an new opportunity to broaden the scale and the nature of transnational solidarity and anti-capitalist struggle. The former position is, moreover, defended as much by those who lead globalisation and benefit from it as by those for whom globalisation is the most recent and most virulent form of external aggression against their way of life and well-being.

These three contradictions crystallise the most important vectors of the process of globalisation now taking place. In the light of them, it is easy to see that disjunctions, parallel occurrences and confrontations are so significant that what we term globalisation is, in fact, a set of different processes of globalisation and, in the last instance, of different and sometimes contradictory globalisations.

What we habitually call globalisation is, in fact, different sets of social relationships, and different sets of social relationships give rise to different phenomena of globalisation. In these terms there is not, strictly speaking, one sole entity called globalisation, instead there are
globalisations; to be precise, this term should only ever be used in the plural. Any wider concept should be process-based and not substantive. In addition, although they are sets of social relationships, globalisations involve conflicts and, therefore, winners and losers. Frequently, discourse on globalisation is the history of the winners, recounted by themselves. In fact, the victory is apparently so absolute that the defeated vanish totally from the scene. It is therefore wrong to think that the newer and more intense forms of transnational interactions produced by the processes of globalisation have eliminated the hierarchies of the world system. Doubtless they have transformed them profoundly, but this does not mean that they have eliminated them. On the contrary, empirical evidence suggests the opposite, pointing to an intensification of hierarchies and inequalities. The contradictions and disjunctions identified above suggest that we are in a transitional period, in terms of the three main dimensions: transitional in terms of the hierarchies and inequalities in the world system, transitional in terms of institutional form and complementarity amongst institutions; transitional in terms of the scale and configuration of social and political conflicts.

The theory under construction must therefore take the plurality and contradictions in the processes of globalisation into account instead of trying to subsume them into reductionist abstractions. The theory which I am about to put forward is based on the concept of a world system in transition. It is in transition because it contains within itself the old world system, undergoing a process of profound transformation, and a set of emerging realities which may or may not lead to a new world system, or to another new entity, systematic or not. It is a question of circumstances which, when captured synchronically, reveal a complete openness to possible alternative developments. Such openness is symptomatic of a great instability which configures a bifurcation, in the Prigoginian sense. It is a situation of great instability and volatile compromises, in which small alterations can bring about huge transformations. It is therefore a situation characterised by turbulence and by the explosion of scales. The theory which I am proposing here aims to take the bifurcation into account and in so doing cannot, itself, escape becoming a theory open to the possibilities of chaos.

The world system in transition is formed from three sets of collective practices: the set of interstate practices, the set of global capitalist practices and the set of transnational social and cultural practices. The interstate practices correspond to the role of the states in the modern world system as protagonists of the international division of labour, at the heart of which is established the hierarchy of the core, periphery and semi-periphery. The global capitalist practices are the practices of the economic agents whose spatial-temporal unit for real or potential action is the planet itself. The transnational social and cultural practices are the cross-border flows of people and cultures, and of information and communication. Each of these sets of practices is made up of: a group of institutions which ensure its reproduction, their compatibility and the stability of the inequalities which they produce; a form of power which supplies the logic of the interactions and legitimises the inequalities and the hierarchies; a form of law which supplies the language of intra-institutional and inter-institutional relations and the criteria for distinguishing between permitted and prohibited practices; a structural conflict which condenses the root tensions and contradictions of the practices in question; and criteria of hierarchy which define the way in which inequalities of power and the conflicts which they translate into are crystallized. Finally, although all the practices of the world system in transition are involved in all the modes of production of globalisation, they are not all involved in all of them with the same intensity.
Figure no 1 illustrates the internal composition of each of the components of the different sets of practices. I will only comment on those which require an explanation. Prior to this, however, it is necessary to identify what distinguishes the world system in transition (WSIT) from the modern world system (MWS). In the first place, whilst the MWS is based on two pillars, the world economy and the interstate system, the WSIT is based on three pillars, none of which have the consistency of a system. It is more a question of sets of practices whose internal coherence is intrinsically problematic. The greatest complexity (and also incoherence) of the world system in transition lies in the fact that in it the processes of globalisation extend far beyond states and the economy, and involve social and cultural practices, which in the MWS are confined only to states and national societies or their sub-units. Moreover, many of the new transnational cultural practices are originally transnational or, in other words, constitute themselves free of reference to any concrete nation or state or, when they do have recourse to them, do so only to acquire raw material or local infrastructures for the production of transnationality. Secondly, interactions between the pillars of the WSIT are much more intense than those of the MWS. In addition, whilst in the MWS the two pillars have clear and distinct outlines, in the WSIT there is a constant and intense interpenetration between the different sets of practices, to such an extent that there are grey areas or hybrids amongst them, in which the sets assume a particularly composite character. For example, the World Trade Organisation is a hybrid institution made up of interstate practices and global capitalist practices, in the same way that flows of migration are a hybrid institution in which, to varying extents according to different situations, the three sets of practices are present. Thirdly, even though many of the core institutions of the MWS remain in the WSIT, they nowadays carry out different functions, without their centrality necessarily being affected. Thus the state, which in the MWS ensured the integration of the national economy, society and culture, nowadays actively contributes towards the disintegration of the economy, society and culture on a national level in the name of their integration within the global economy, society and culture.

The processes of globalisation result from the interactions between the three sets of practices. The tensions and contradictions inside each of the sets and in the relationships between them arise from forms of power and inequalities in the distribution of power. The form of power is

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the unequal exchange in all cases, but it assumes specific forms in each of the sets which are derived from the resources, the artifacts and the imaginary which are the object of this unequal exchange. The depth and intensity of interstate, global and transnational interactions means that forms of power are exercised as unequal exchanges. Since it is a matter of exchanges and inequalities may, to a certain extent, be hidden or manipulated, the registering of interactions in the WSIT often (and credibly) assumes a register, the horizontal register through central ideas such as interdependence, complementarity, coordination, cooperation, networking, etc. In the face of this, conflicts tend to be experienced as diffuse, and it is sometimes difficult to define what or whom is in conflict. Even so, it is possible in each set of practices to identify a structural conflict, or, in other words, a conflict which organises struggles around the resources which are the objects of unequal exchange. In the case of interstate practices, the conflict is engaged around relative positions in the hierarchy of the world system, since it is this which dictates the type of exchanges and levels of inequality. Struggles for promotion or against relegation and movements within the hierarchy of the world system which these translate into are long-term processes which at each given moment can be crystallized into levels of autonomy and dependence. On the level of global capitalist practices, the struggle lies between the global capitalist class and the other classes defined on a national level, whether they are the bourgeoisie, the petty bourgeoisie or the working class. Obviously the levels of inequality of exchange and the mechanisms which produce them are different, according to the classes which are in confrontation, but in all cases there is a struggle for the appropriation or valuation of commercial resources, whether these are labour or knowledge, information or raw materials, credit or technology. What remains of the national bourgeoisie and petty bourgeoisie is, in this transitional phase, a cushion which softens and a smokescreen which hides the increasingly stark and crude contradiction between global capital and labour transformed into a global resource.

In the domain of transnational social and cultural practices, unequal exchanges relate to non-commercial resources whose transnationality is based on local differences, such as ethnicity, identity, cultures, traditions, a sense of belonging, the imaginary, rituals and written or oral literature. There are countless social groups involved in these unequal exchanges and their struggles are engaged around recognition of the non-mercantile appropriation or valuation of these resources, or rather, around equality in difference and difference in equality.

The reciprocal interaction and interpenetration of these three sets of practices means that the three types of conflict and the unequal exchanges which fuel them, in practice, translate into composite hybrid or dual conflicts, in which, in different ways, elements of each of the structural conflicts are present. The importance of this fact lies in what is termed transconflictuality, which consists of assimilating one type of conflict within another and in experiencing one particular type of conflict as if it were another. Thus, for example, a conflict within global capitalist practices can be assimilated into an interstate conflict and experienced as such by the parties involved in the conflict. In the same way, an interstate conflict may be assimilated into a conflict of transnational cultural practices and experienced as such. A transconflictuality reveals the openness and the bifurcation which characterises the WSIT since, at the outset, it is impossible to know in which direction the transconflictuality is orientated. However, the direction which is finally imposed is decisive, not only in defining the practical outlines of the conflict, but also its nature and its results.

I suggest that, under the present conditions of the WSIT, the analysis of the processes of globalisation and the hierarchies which they produce should be centred on criteria which define the global/local. In addition to the justification presented above, there is one other criterion
which I consider important and which can be summed up by the term *differential voracity of the global/local*. In the MWS, the hierarchy of the core, periphery and semi–periphery was articulated as a series of dichotomies derived from a variety of forms of unequal differentiation. Amongst these dichotomies I would highlight: development/underdevelopment, modern/traditional, superior/inferior, universal/particular, rational/irrational, industrial/agricultural, urban/rural. Each of these forms has its own semantic register, intellectual tradition, political intentionality and projected horizons. What is new in the WSIT is the way in which the global/local dichotomy has come to absorb all the others, in political discourse as well as in scientific discourse.

The global and the local are socially produced within the processes of globalisation. I have distinguished four processes of globalisation produced by other modes of globalisation. This, now, is my definition of the mode of production of globalisation: it is a set of unequal exchanges in which a certain artefact, condition, entity or local identity extends its influence beyond its national frontiers and, in so doing, develops an ability to designate as local another rival artifact, condition, entity or identity.

The most important implications of this concept are as follows. Firstly, in terms of the conditions of the world system in transition, genuine globalisation does not exist; what we call globalisation is always the successful globalisation of a particular localism. In other words, there are no global conditions within which we cannot find local roots, either real or imagined, as a specific cultural insertion. The second implication is that globalisation presupposes localisation. The process which creates the global as the dominant position in unequal exchanges, is the same one which produces the local as the dominated, and therefore hierarchically inferior, position. In fact we live as much in a local as in a global world. Therefore, in analytical terms, it would be equally correct if the present situation and our topics of investigation were defined in terms of localization instead of globalisation. The reason why the latter term is preferred is basically because hegemonic scientific discourse tends to favour the history of the world as told by the conquerors. It is no accident that Benjamin Barber’s book on the tensions in the process of globalisation is called *Jihad versus McWorld* (1995) and not *MacWorld versus Jihad*. There are many examples of how globalisation presupposes localisation. The English language as a *lingua franca* is one. Its propagation as a global language implies the localization of other, potentially global, languages, particularly French. That is to say that, once a certain process of globalisation has been identified, its integral meaning and explanation cannot be obtained without taking into account the adjacent processes of relocalisation occurring simultaneously or in sequence to it. The globalisation of the Hollywood star system contributed to the localisation (ethnicisation) of the Hindu cinema star system. Analogously, the French or Italian actors of the 60s – from Brigitte Bardot to Alain Delon, or from Marcello Mastroianni to Sophia Loren – who at the time symbolised the universal style of acting, seem, when we watch their films again nowadays, provincially European, if not curiously ethnic. The difference in view lies in the way in which, since then, the Hollywood style of acting has managed to globalise itself. To give another example from a totally different area, the more the hamburger or pizza becomes globalised, the more localised the Portuguese *bolo de bacalhau* or the Brazilian *feijoada* become, in the sense that they are increasingly seen as typical particularities of Portuguese or Brazilian society.

One of the transformations most frequently associated with the processes of globalisation is the compression of time and space, or, rather, the social process by which phenomena accelerate and are spread throughout the world (Harvey, 1989). Although apparently monolithic, this process combines highly differentiated situations and conditions and, because of this, cannot be
analysed independently of the power relations which respond to the different forms of temporal and spatial mobility. On the one hand, there is the global capitalist class, which in reality controls the space–time compression and is capable of transforming it in its favour. On the other hand, there are the classes and subordinate groups, such as migrant workers and refugees, who in recent decades have represented much cross–border traffic, but who do not, in any way, control the space–time compression. Between the executives of the multinational companies and the emigrants and refugees, tourists represent a third mode of production of the compression of space and time.

There are also those who contribute greatly to globalisation but remain, nevertheless, prisoners in their own local time–space. By cultivating the coca bush, the peasants of Bolivia, Peru and Colombia, contribute decisively to the world drug culture, but remain themselves "localised" in their villages and mountains, as they always have been. So do the Rio slum–dwellers, who are prisoners of their marginal urban lifestyle, whilst their songs and dances, particularly the samba, are nowadays part of a globalised music culture.

From yet another perspective, a global competency at times requires a specific local emphasis. Many tourist locations today have to emphasise their exotic, vernacular and traditional character in order to make themselves sufficiently attractive to the global tourism market.

The production of globalisation therefore implies the production of localisation. Far from dealing with symmetrical productions though, it is through these that the dominant hierarchy is established in the WSIT. In its terms, the local is integrated into the global in two possible ways: by exclusion or by subordinate inclusion. Although in common parlance and in political discourse the term globalisation conveys an idea of inclusion, the true nature of inclusion for globalisation, above all in its economic sense, can be extremely limited. Vast areas of the world's population, above all in Africa, are being globalised specifically in terms of being excluded by hegemonic globalisation.(10) What actually characterises the production of globalisation is the fact that its impact extends to the realities it excludes as much as to the realities it includes. Yet the decisive factor in the hierarchy produced is not only the context of the inclusion but also its nature. The local, when included, is done so in a subordinate fashion, according to a global logic. The local which precedes the processes of globalisation, or which manages to remain on its margins, has very little to do with the local which results from the global production of localisation. Moreover, the first type of local is at the origins of the processes of globalisation whereas the second type is the result of its operations.

The general mode of production of globalisation can be divided into four modes of production, which, in my view, give rise to four forms of globalisation. The first form of globalisation is the globalised localism. It is the process by which a particular phenomenon is successfully globalised, whether it be the worldwide activities of the multinational, the transformation of the English language into a lingua franca, the globalisation of American fast food or popular music or the worldwide adoption of the same laws of intellectual ownership, patents or telecommunications aggressively promoted by the USA. In this mode of production of globalisation, what is globalised is the winner of a struggle for the appropriation or valuation of resources or the recognition of difference. This victory translates into the capacity to dictate the terms of integration, competition and inclusion. In the case of the recognition of difference, the globalised localism implies the conversion of triumphant victory into a universal difference and the consequent exclusion or subordinate inclusion of alternative differences.

I have called the second form of globalisation the localized globalism. It consists of the specific
The impact on local conditions produced by transnational practices and imperatives which arise from globalised localisms. To respond to these transnational imperatives, local conditions are disintegrated, destructured, and, eventually, restructured as subordinate inclusion. Such localized globalisms include: the elimination of neighbouring commerce; the creation of free trade enclaves or zones; the deforestation and massive destruction of natural resources in order to pay off the external debt; the use of historic treasures, religious ceremonies or places, craftsmanship and wildlife for the purposes of tourism; ecological dumping (the "purchase" by Third World countries of toxic waste produced in the core capitalist countries in order to manage external debts); the conversion of subsistence agriculture into agriculture for export as part of "structural adjustment"; the ethnicisation of the workplace (devaluing of salaries because the workers belong to an ethnic group considered "inferior" or "less demanding").

These two modes of production operate in conjunction but should be dealt with separately since the factors, agents and conflicts which intervene in one or the other are distinct. The sustained production of globalised localisms and localized globalisms is increasingly determining the specific hierarchy of interstate practices. The international division of the production of globalisation tends to assume the following pattern: core countries specialise in globalised localisms, whilst peripheral countries only have the choice of localized globalisms. Semi–peripheral countries are characterized by the co–existence of both globalised localisms and localized globalisms and by the tensions between them. The world system in transition is a mesh of localised globalisms and globalised localisms.

There are two other modes of production of globalisation in addition to these, which perhaps best define the differences and newness of the WSIT in relation to the MWS, since they occur within the set of practices which have erupted with particular force in recent decades – transnational social and cultural practices – although they also have repercussions on the other sets of practices. They relate to the globalisation of resistance to globalised localisms and localized globalisms. I have termed the first of these cosmopolitanism. It consists of the transnational organised resistance of nation states, regions, classes and social groups victimised by the unequal exchanges which fuel globalised localisms and localized globalisms. They take advantage of the possibilities of transnational interaction created by the world system in transition, including those resulting from the revolution in information technology and communications. Resistance consists of transforming unequal exchanges into exchanges of shared authority, and translates into struggles against exclusion, subordinate inclusion, dependency, disintegration and relegation. Cosmopolitan activities include, amongst many others: movements and organisations within the peripheries of the world system; egalitarian transnational networks of solidarity between North and South; dialogue between workers' organisations in countries integrated into the different regional blocs or between workers in the same multinational company operating in different countries (the new working class internationalism); international networks of alternative legal aid; transnational human rights organizations; worldwide networks of feminist movements; transnational militant anti–capitalist non–governmental organisations (NGOs); networks of indigenous, ecological or alternative development movements and associations; literary, artistic and scientific movements on the periphery of the world system in search of alternative non–imperialist, anti–hegemonic cultural values, involved in studies using post–colonial or minority perspectives. The heterogeneity of the movements and organisations involved is also significant and the conflict surrounding the World Trade Organisation meeting in Seattle on 30th. November 1999 was an eloquent demonstration of what I have termed cosmopolitanism. This was followed by other demonstrations against the financial institutions of hegemonic globalisation which took place in Washington, Montreal, Geneva and Prague. The World Social Forum held in Porto Alegre in
January 2001 was another important manifestation of cosmopolitanism.

The use of the term "cosmopolitanism" to describe resistance practices and discourses against unequal exchanges in a backward world system may seem inadequate in the face of its modernist ascendency, so eloquently described by Toulmin (1990), as well as in the light of its current use to describe the practices understood here, whether as globalised localisms or as localised globalisms (not to mention its use to describe the worldwide range of multinational companies as "cosmocorp"). I use it, however, to signify that, contrary to modernist belief (particularly that of the fin de siècle), cosmopolitanism is only possible in an interstitial way on the margins of the world system in transition as an anti-hegemonic practice and discourse generated by progressive coalitions of classes or subordinate social groups and their allies. Cosmopolitanism is, in fact, a tradition of Western modernity but it is one of the many traditions which has been suppressed or marginalised by the hegemonic tradition, which in the past generated European expansionism, colonialism and imperialism, and which today generates globalised localisms and localized globalisms.

In this context, it is necessary to state one more fine point. Cosmopolitanism may invoke the belief of Marx in the universality of those who, under capitalism, have nothing to lose but their chains. Whilst I would not reject such an invocation, I would insist on the distinction between cosmopolitanism, as I understand it and the universality of the Marxist working class. In addition to the working class described by Marx, the oppressed classes in the world today can be grouped into two more categories, neither of which can be reduced to the class—which—has—only—its—chains—to—lose category. On the one hand, there are considerable and influential sectors of the working classes in the core countries, and even in the semi−peripheral countries, who nowadays have something more to lose than just chains, even though this “something” might not amount to much or, rather, might be more symbolic than material. On the other hand, there are huge populations in the world who have never even had chains, or in other words, are not sufficiently useful or skilled enough to be directly exploited by capital and for whom, in consequence, the eventual possibility of such exploitation would feel like liberation. In all their various forms, the cosmopolitan coalitions see their struggle as one for emancipation from the dominant classes, whether they are dominated by mechanisms of oppression or by exploitation. Maybe because of this, contrary to the Marxist concept, cosmopolitanism does not imply uniformity and the collapse of differences, autonomies and local identities. Cosmopolitanism is no more than the fusion of local, progressive struggles with the aim of maximising their emancipatory potential in loco through translocal/local connections.

Probably the most important difference between my concept of cosmopolitanism and the Marxist universality of the oppressed is that the progressive cosmopolitan coalitions do not necessarily have a class base. They unite social groups on a non−class basis, the victims, for example, of sexual, ethnic, racist, religious, ageist discrimination etc. Partly for this reason, the progressive or anti-hegemonic character of the cosmopolitan coalitions can never be determined abstractly. On the contrary, it is intrinsically unstable and problematic. It demands constant self−reflection of those who take part. Cosmopolitan initiatives conceived of and created with an anti-hegemonic character can later come to assume hegemonic characteristics, even running the risk of becoming converted into globalised localisms. It is enough to think of the local initiatives in participatory democracy, which had to fight for years against the "absolutism" of representative democracy and the mistrust of the conservative political elites, both national and international, and which nowadays are beginning to be recognized and even adopted by the World Bank, seduced by the efficiency and lack of corruption they have applied...
to managing funds and development loans. Self–reflexive vigilance is essential in order to
distinguish between the technocratic concept of participatory democracy sanctioned by the
World Bank and the democratic and progressive concept of participatory democracy, the
embryo of anti−hegemonic globalisation.(13) The instability of the progressive or
anti−hegemonic character is also derived from another factor: the different concepts of
emancipatory resistance held by cosmopolitan initiatives in different regions of the world
system. For example, the struggle for minimum standards in working conditions (the so−called
labour standards) – a struggle led by trade union organisations and human rights groups in the
more developed countries, aiming for international solidarity by preventing products produced
by labour which does not reach these required minimum standards from circulating freely on the
world market – is certainly seen by the organizations which promote it as anti−hegemonic and
emancipatory, since it aims to improve the conditions of the workers' lives. However, it can be
seen by similar organizations in peripheral countries as one more hegemonic strategy from the
North, whose actual effect is to create one more form of protectionism which favours the rich
countries.

The second mode of production of globalisation in which resistance is organised against
globalised localisms and localised globalisms is what I have, with recourse to international law,
termed the common inheritance of humanity. It concerns transnational struggles to protect and
decommodify resources, entities, artifacts, and environments considered essential for the
dignified survival of humanity, whose sustainability can only be guaranteed on a planetary
scale. In general, the following belong to the common inheritance of humanity: the
environmental struggles, struggles to preserve the Amazon, the Antarctic, the biodiversity of the
ocean depths and the campaigns for the preservation of outer space, the moon and the other
planets also considered the common inheritance of humanity. All these struggles relate to
resources which, by their very nature, have to be managed by a logic other than that of unequal
exchange, namely international community trusts in the name of present and future
generations.(14)

Both cosmopolitanism and the common inheritance of humanity have developed greatly in
recent decades. Through them a political globalisation has been constructed which is an
alternative to the hegemony developed out of the need to create a corresponding transnational
political obligation which, up to now, has mutually bound citizens and nation states. A broader
political obligation is, for now, merely conjecture, since a transnational political body
withstanding the nation state has still to be realised (or even imagined). However,
non−governmental organisations of a progressive transnational persuasion, alliances between
them and local organisations and movements in different parts of the world and the organisation
of campaigns against hegemonic globalisation (from the Greenpeace campaigns to the Jubilee
Campaign 2000) are all seen as signs of a newly emerging global civil and political society.

Yet both cosmoPlitanism and the common inheritance of humanity have encountered strong
resistance from those who lead hegemonic globalisation (the globalised localisms and localized
globalisms) or those who benefit from it. The common inheritance of humanity, especially, has
been under constant attack from the hegemonic countries, above all the USA. The conflicts,
resistance, struggles and coalitions surrounding cosmopolitanism and the common inheritance
of humanity demonstrate that what we call globalisation is, in reality, a set of transnational
arenas of struggle. Therefore it is important to distinguish between globalisation
from−the−top−downwards and globalisation from−the−bottom−upwards, or between
hegemonic and anti−hegemonic globalisation. The globalised localisms and the localized
globalisms are globalisation from−the−top−downwards, or hegemonic globalisation, and
cosmopolitanism and the common inheritance of humanity are globalisations from-the-bottom-upwards or anti-hegemonic. It is important to bear in mind that these two types of globalisation do not exist parallel to each other, as if they were two watertight entities. On the contrary, they are the expression and the result of struggles engaged within the social space conventionally known as globalisation which, in reality, is constructed through four modes of production. Like any other, the concept of globalisation proposed here is not peaceful. In order to place it better within current debates on globalisation, some fine-tuning is necessary.

7. Hegemonic and anti-hegemonic globalisation

One of the current debates revolves around the question of determining whether there are one or several globalisations. For the great majority of authors there is only one globalisation, neo-liberal capitalist globalisation, and it does not, therefore, make sense to distinguish between hegemonic and anti-hegemonic globalisation. As there is only one globalisation, resistance to it cannot be anything but a self-asserted localism. According to Jerry Mander, economic globalisation has a cast iron logic which is doubly destructive. Not only does it fail to improve the standard of living of the vast majority of the world's population (on the contrary, it contributes towards worsening it), but it is not even sustainable in the medium term (1996:18). Even today the majority of the world's population maintain relatively traditional economies, many are not "poor" and a large percentage of those who are, were made so by the politics of the neo-liberal economy. In the face of this, the most effective resistance to globalisation lies in the promotion of local and community economies, the small-scale economies which are diverse, self-sustaining and linked to exterior forces but not dependent on them. According to this concept, in an economy and a culture which is becoming increasingly dispossessed, the response to its evils can only be reterritorialisation, the rediscovery of a sense of place and community, which implies the rediscovery or invention of local productive activities.

This position has been translated into the identification, creation and promotion of innumerable local initiatives throughout the world. Consequently the group of proposals which, in general, can be termed localization is nowadays very fertile. What I understand by localization is the set of initiatives which aim to create or maintain small-scale social areas, which are community-based and operate through face-to-face relationships, orientated towards self-sustainability and maintained by a cooperative and participatory logic. Localisation projects include small family farming initiatives (Berry, 1996; Inhoff, 1996), small-scale local commerce (Norberg-Hodge, 1996), local systems of exchange using local currencies (Meeker-Lowry, 1996) and participatory forms of local self-government (Kumar, 1996; Morris, 1996). Many of these initiatives or proposals are based on the idea that culture, community and the economy are incorporated and rooted in concrete geographical locations that require constant vigilance and protection. This is what is known as bio-regionalism (Sale, 1996).

The initiatives and proposals of localization do not necessarily imply isolationism. They do imply, of course, protection measures against the predatory investors of neo-liberal globalisation. This is the "new protectionism": the maximising of local commerce within local, diverse and self-sustaining economies, and the minimizing of long-distance commerce (Hines e Lang, 1996: 490). The new protectionism is derived from the idea that the global economy, far from having eliminated the old protectionism, is, itself, a protectionist tactic on the part of the multinational companies and international banks against the ability of local communities to preserve their own, and nature's, sustainability.
The paradigm of localization does not necessarily imply a rejection of global or translocal resistance. It does, however, stress the promotion of local social initiatives. This is the position of Norberg−Hodge (1996), for whom it is necessary to distinguish between strategies to put a brake on the uncontrolled expansion of globalisation and strategies which promote real solutions for real populations. The former must be led by translocal initiatives, namely through multilateral treaties which allow national states to protect their population and environment from the excesses of free trade. The latter, in contrast, undoubtedly the most important, can only be led by multiple local small−scale initiatives as diverse as the cultures, contexts and environments in which they take place. It is not a matter of thinking in terms of isolated efforts and then of institutions which offer large−scale promotion of small−scale initiatives.

This is the position which comes closest to the one resulting from the concept of a polarisation between hegemonic and anti−hegemonic globalisation proposed here. The difference lies in the relative emphasis placed on the various resistance strategies that present themselves. In my opinion, it is erroneous to give priority either to local or global strategies. One of the big traps of neo−liberal globalisation lies in symbolically accentuating the distinction between the local and the global and, at the same time, destroying it through the real mechanisms of the economy. This symbolic emphasis is destined to delegitimise all obstacles to the incessant expansion of neo−liberal globalisation, by lumping them all together under the title of local and mobilizing negative connotations against them through the powerful mechanisms of ideological indoctrination which it has at its disposal. In terms of the transnational processes, from the economic to the cultural, the local and the global are increasingly becoming the two sides of the same coin, as I have previously stressed.

In this context, anti−hegemonic globalisation is as important as anti−hegemonic localisation. The initiatives, organizations and movements which I have listed above as pertaining to cosmopolitanism and the common inheritance of humanity, have a transnational vocation but, even so, they remain anchored in concrete locations and concrete local struggles. The transnational advocacy of human rights aims to defend them in concrete locations in the world where they are violated, just as the transnational advocacy of ecology aims to put an end to concrete local or translocal acts of destruction of the environment. There are forms of struggle which are orientated more towards the creation of networks amongst locales, but obviously they are not sustainable if they are not based on local struggles or are not sustained by them.

Transnational alliances between workers' unions in the same multinational company operating in different countries aim to improve the living conditions in each workplace, thus lending greater strength and efficiency to local workers' struggles. It is in this sense that we should understand Chase−Dunn's proposal (1998), in terms of the political globalisation of popular movements in order to create a global democratic and collectively rational system.

The global occurs locally. It is necessary to ensure that the anti−hegemonic locale also occurs globally. In order to do this it is not enough to promote the small−scale on a large−scale. It is necessary, as I have proposed elsewhere (Santos, 1999), to develop a theory of translation which can create an intelligible reciprocity between different local struggles, deepen what they have in common in order to promote an interest in translocal alliances and foster their ability to thrive and prosper.

In the light of the characterisation of the world system in transition which I have proposed above, cosmopolitanism and the common inheritance of humanity constitute anti−hegemonic globalisation by the extent to which they fight to transform unequal exchanges into exchanges...
of shared authority. This transformation has to occur in all the sets of practices, but will assume a distinct form in each one of them. In the field of interstate practices, the transformation has to occur simultaneously at the level of the state and at the level of the interstate system. At state level, it is a matter of transforming the low intensity democracy which predominates today, to a high intensity democracy. On the level of the interstate system, it is a matter of promoting the construction of mechanisms for democratic control through concepts such as post-national citizenship and that of the public transnational sphere.

In the area of global capitalist practices the anti-hegemonic transformation consists of the globalisation of struggles to enable the democratic distribution of wealth, or rather distribution based on individual and collective rights of citizenship, applied transnationally.

Finally, in the field of transnational social and cultural practices the anti-hegemonic transformation consists of the construction of an emancipatory multiculturalism, or, in other words, the democratic construction of reciprocal rules of recognition between distinct identities and cultures. This recognition may result in multiple forms of sharing – such as dual identities, hybrid identities, inter-identity and trans-identity – but they must all be orientated towards the following trans-cultural and trans-identity guideline: we have the right to be equal when difference makes us inferior and the right to be different when equality removes our identity.

8. Hegemonic globalisation and the post–Washington Consensus

Distinguishing between hegemonic and anti-hegemonic globalisation implies presuming the internal coherence of each of these. This, however, is a problematic presumption, at least in the transitional period we are living through. I have already pointed out that anti-hegemonic globalisation, although reducible to two modes of production of globalisation – cosmopolitanism and the common inheritance of humanity – is internally very fragmented, in that it mainly takes the form of local initiatives to resist hegemonic globalisation. Such initiatives are rooted in a spirit of place, in the specific nature of contexts, actors and the horizons of locally constituted life. They do not speak the language of globalisation, or even globally intelligible languages. What makes them into anti-hegemonic globalisation is, on the one hand, their proliferation, being spread a little everywhere, whilst still remaining local responses to global pressures – the local is produced globally – and, on the other hand, the translocal articulations which it is possible to establish between them, or between them and the transnational organisations and movements which share at least some of their objectives.

In terms of hegemonic globalisation, the reciprocal processes of globalised localisms and localized globalisms allow us to anticipate greater homogeneity and internal coherence. This is particularly the case with economic globalisation. Here it is possible to identify a series of characteristics which seem to be present globally: the prevalence of market principles over state principles; the financialisation of the world economy; the total subordination of the interests of labour to the interests of capital; the unconditional protagonism of the multinational companies; the territorial recomposition of economies and the consequent loss of status for national spaces and the institutions which had previously configured them, namely the nation states; a new dialogue between politics and the economy in which national agreements (above all those which establish types and levels of solidarity) are eliminated and replaced by agreements with global actors and national globalised actors.

These general characteristics do not, however, prevail in a homogenous fashion throughout the planet. On the contrary, they are articulated in differential ways under different national and
local conditions, whether these are the historical trajectory of national capitalism, the class structure, the level of technological development, the level of institutionalisation of social conflicts and, above all, of labour/capital conflicts, the training and qualification systems for the labour force, or the networks of public institutions which are based on a concrete form of articulation between politics and economics. In terms of the latter, the new institutional economy (North, 1990; Reis, 1998) has come to emphasise the central role of constitutional order, the set of institutions and institutionalised agreements which guarantee mechanisms for resolving conflicts, and the levels of tolerance in the face of inequalities and imbalances which, in general, define what is preferable, permitted or prohibited (Boyer, 1998: 12). Each constitutional order has its own historical background and it is this which determines the specific nature of local or national response to these global pressures. This specific response ensures that, in terms of social and institutional relations, there is not one single capitalism, but several.

Capitalism, as a mode of production, has thus evolved historically through different families of trajectories. Boyer distinguishes four trajectories which constitute the four main configurations of contemporary capitalism: the mercantile capitalism of the USA, England, Canada, New Zealand and Australia; the meso–corporative capitalism of Japan; the social democratic capitalism of Sweden, Austria, Finland, Norway and Denmark and, to a lesser degree, Germany; the state capitalism of France, Italy and Spain (Boyer, 1996, 1998). This typology is restricted to the economies of the core countries, thus remaining outside the majority of the real capitalisms of Asia, Latin America, Central Europe and South and West Africa. Its usefulness lies in showing the variety of forms of capitalism and the differential way in which each one is inserted into global transformations.

In mercantile capitalism the market is the central institution; its insufficiencies are transformed by regulatory agencies, individual interests and competition dominate in all spheres of society, social relations, the market and labour are regulated by private law, the labour markets are extremely flexible, total priority is given to technological innovation, promoted by different types of incentives and protected by the laws of patents and intellectual ownership, and great social inequalities are tolerated, as well as under–investment in public welfare or collective consumerism (public transport, education, health, etc.).

Japanese meso–corporative capitalism is led by the large company; it is at the heart of this that the main economic adjustments are obtained, through the banks which hold it and the network of affiliated companies which control it, public regulation acts strictly in coordination with the large companies, there is a duality between "regular" workers and "irregular" workers, with the dividing line being entry or non–entry into the career structure within the internal market of the large company, general levels of education are high, with the companies providing professional training, and the stability of inequalities is accepted.

Social–democratic capitalism is based on a social pact between social partners, the organisations representing bosses, workers and the state, and on mutually advantageous agreements which guarantee compatibility between competitive gains, innovation and productivity, on the one hand, and salary increases and improvements in living standards on the other, on the prevalence of social justice, on high investments in education, on the organisation of the labour market in such a way as to minimize flexibility and promote qualification as a response to rising competition and technological innovation, on a high level of social protection against risks and on the minimizing of social inequalities.
Finally, *state capitalism* is based on the centrality of state intervention as a coordinating principle in the face of the weakness of the market ideology and the organisations of social partners; there is a public system of education for the production of public and private entrepreneurial elites, weak professional training, the labour market is highly regulated, public scientific research articulates poorly with the private sector, and there is a high level of social protection. Although Portugal continues to be a semi–peripheral society, the capitalist institutionalization which predominates indicates a form of state capitalism. Total consolidation of this model seems to be blocked in our country by clearly defined contradictory, though unequal, pressures, which, paradoxical as it may appear, are exercised by the state itself: on the one hand the pressures of social democratic capitalism and, on the other hand, the far stronger pressures of mercantile capitalism. In this chaotic process of transition there are still traces of meso–corporative capitalism, above all in the close articulation between the state and the financial groups and between the state and the large public and private companies which are undergoing a phase of internationalisation.

Faced with the coexistence of these four major types of capitalism (and certainly with other types present in other regions of the world), the existence of a hegemonic economic globalisation may be questioned. In the end, each of these types of capitalism constitutes a regime of accumulation and a means of regulation endowed with stability, in which complementarity and compatibility amongst institutions is great. In this way, the institutional fabric contains the ability to anticipate possible destabilising threats. The truth, however, is that the regimes of accumulation and the modes of regulation are historically dynamic entities; periods of stability are followed by periods of destabilisation, sometimes induced by their own previous successes. From the eighties onwards, we have come to witness great turbulence in the different types of capitalism. This turbulence is not, however, chaotic and some driving forces can be detected within it. It is these driving forces which create the hegemonic character of economic globalisation.

In general, and in terms of the definition of globalisation proposed above, it can be said that evolution consists of the globalisation of mercantile capitalism and the consequent localisation of meso–corporative, social democratic and state capitalisms. Localisation implies destructuring and adaptation. The driving forces which guide one or the other of these are as follows: agreements between capital and labour are made more vulnerable by their new insertion into the international economy (free markets and the global demand for direct investment); the security of social relationships becomes the rigidity of the salaried relationship; the priority given to financial markets blocks the distribution of revenue and demands a reduction in public spending on social needs; the transformation of labour into a global resource is achieved in such a way as to allow it to coexist with salary and price differentiations; the increased mobility of capital ensures that taxes cease to be liable on intangible income (above all, labour); the role played by social policies in redistribution is decreasing and, in consequence, social inequalities are rising; social protection is subject to the pressures of privatisation, particularly in the area of retirement pensions, given the interest taken in them by the financial markets; state activity is intensified nowadays in the sense of motivating investment, innovation and exports; the entrepreneurial sector of the state, if not totally eliminated, is heavily reduced; the impoverishment of vulnerable social groups and the emphasizing of social inequalities are considered inevitable effects of a prosperous economy only to be lessened by compensatory measures if these do not disturb the functioning of market mechanisms.

This, then, is the profile of hegemonic globalisation, particularly in its economic and political forms. Its identification has to do with the scales of analysis. On a grand scale (an analysis
which covers a small area in great detail), such a hegemony is only easy to detect when its size
overcomes all national and local particularities and the specific natures of the responses,
resistances and adaptations to external pressures. By contrast, on a small scale (an analysis
which covers large areas in less detail), only the major globalising tendencies are visible, to the
point where national or regional differentiation of their impact and resistance to them appear
negligible. It is on this level that the authors who treat globalisation as an unprecedented
phenomenon, as much in structure as in intensity, are situated. For them, it is also inadequate to
speak of hegemonic globalisation, since, as I have already noted, there is only one irreducible
globalization and it therefore makes little sense to speak of hegemony, much less
anti-hegemony. It is on the medium scale that it becomes possible to identify hegemonic global
phenomena which, in the one hand, are articulated in multiple forms and under local, national
and regional conditions, and, on the other hand, confront local, national and global resistances
which may be characterized as anti-hegemonic.

The choice of scale of levels is thus crucial and may be determined as much by analytical as by
politically strategic reasons or even by a combination of both. For example, in order to visualise
the conflicts between the great driving forces of global capitalism it has been considered
adequate to choose a scale of analysis which distinguishes three great regional blocs, interlinked
by multiple dependencies and rivalries: the American, the European and the Japanese (Stallings
and Streeck, 1995; Castells, 1996: 108). Each of these blocs has a center, the USA, the European
Union and Japan respectively, a semi-periphery and a periphery. In terms of this scale, the two
types of capitalism discussed above, social democratic and state capitalism, appear fused into
one. In fact the European Union today has an internal and an international political economy
and in its name the different European capitalisms are engaged in their battles with North
American capitalism through the international forums, namely the World Trade Organisation.

A medium scale analysis is, therefore, the one which best clarifies the conflicts and social
struggles which take place on a world scale and the articulation between their local, national and
world dimensions. It is also the one which enables us to identify any fractures at the heart of
hegemony. The driving forces previously referred to as being the nucleus of hegemonic
globalisation translate into different institutional, economic, social, political and cultural sets in
conjunction with each of the four types of capitalism or each of the three regional blocs. These
fractures are, today, often the entry point for local–global anti–capitalist and anti–hegemonic
social struggles.

The rifts between mercantile capitalism and social democratic or state capitalism, between the
neo–liberal model of social security and the European social model, or even within the
neo–liberal model itself, as well as revealing the fractures within hegemonic globalisation, also
create an impulse towards the formulation of new syntheses from amongst the ruptures and,
through these, the reconstitution of hegemony. It is in this way that the "third way", theorised by
Giddens (1999), should be understood.

9. Levels of intensity of globalisation

The last fine point concerning the concept of globalisation defended in this text relates to the
levels of intensity of globalisation. Globalisation was defined as sets of social relationships
which translate into the intensification of transnational interactions, whether they are
transnational interstate practices, capitalist practices or social and cultural practices. The
inequalities of power within these relationships (the unequal exchanges) are affirmed by the
way in which the dominant entities or phenomena release themselves from their original
contexts or local spaces and rhythms and, correspondingly, by the way in which, after
disintegration and destructuring has taken place, they reposition themselves in their original
contexts and local spaces and rhythms. In this dual process, both the dominant (globalised)
entities or phenomena and the dominated (localised) ones undergo internal transformations.
Even the North American hamburger had to suffer small changes to free itself from its original
background (the North American Midwest) and conquer the world and the same happened to
the laws of intellectual ownership, popular music and the Hollywood cinema. Yet whilst the
transformations in dominant phenomena are expansive and aim to broaden scope, space and
rhythms, the transformations of the dominated phenomena are retractive, disintegratory and
destructuring; their scope and rhythms which were local for endogenous reasons and rarely
represented themselves as local, were relocalized for exogenous reasons and came to be
represented as local. Dispossession, release from the local and expansive transformation on the
one hand and reterritorialisation, local repositioning and disintegrating and retractive
transformation, on the other hand, are two sides of the same coin, namely globalisation.

These processes occur in very distinct ways. When we speak of globalisation we are normally
thinking of very intense and rapid processes of dispossession and reterritorialisation and the
consequent very dramatic transformations of expansion and retraction. In these cases it is
relatively easy to explain these processes by a limited set of clearly defined causes. The truth,
however, is that the processes of globalisation do not always occur in this way. Sometimes they
are slower, more diffuse and more ambiguous and their causes are less well defined. Clearly it is
always possible to stipulate that in this case what we are observing are not processes of
globalisation. It is precisely this that the authors who are most enthusiastic about globalisation
tend to do, as well as those who see in it something unprecedented, both in nature and
intensity.\(^{(18)}\) I believe, however, that this is not the best analytical strategy since, contrary to
intentions, it reduces the scope and nature of the ongoing processes of globalisation. I therefore
propose a distinction between high intensity globalisation for the rapid, intense and relatively
monocausal processes of globalisation and low intensity globalisation for the slow, diffuse and
causally more ambiguous processes. One example will help identify the terms of this
distinction. I have chosen, from amongst many other possibilities, one of the Washington
consensuses: the supremacy of law and the legal resolution of litigation as part of the model of
market-led development. In the mid eighties, cases involving public figures who were powerful
individuals or well known in economic or political spheres began to appear in the courts of
various European countries. These cases, almost all of which involved criminal offences
corruption, fraud, falsification of documents), gave the courts unprecedented public visibility
and political leadership. With the exception of the Supreme Court in the USA, since the forties
the courts of the core countries – and also in semi–peripheral and peripheral countries – had led
a quiet life. Reactive, rather than proactive, settling cases between individuals which rarely
reached the attention of the public and never intervening in social conflicts, the law courts –
their activities, their rules and their agents – remained unknown to the general public. This state
of affairs started to change in the eighties as the courts rapidly began to hit the front pages of the
newspapers, their activities became the object of media curiosity and magistrates became public
figures.

This phenomenon occurred for example in Italy, in France, in Spain and in Portugal and in each
country it had specific and similar causes. The parallel and simultaneous occurrence of the same
phenomenon in different countries does not make it a global phenomenon, except for the fact
that the endogenous causes, which differed from country to country, shared structural affinities
or aspects of remote, common and transnational causes. This in fact seems to have been the
case. Despite the national differences, which are always significant, we can detect in the new
judicial protagonism, certain common factors. In the first place, there are the consequences of
the confrontation between the state and market principles in the management of social life
resulting from privatisation and deregulation of the economy, the devaluing of the public
services, the crisis in republican values, the new protagonism of private law and the emergence
of powerful social actors to whom the prerogative of social regulation, previously held by the
state, has been transferred. All this has created a new promiscuity between economic and
political power which has allowed the elites to circulate freely and sometimes, pendularly, from
one to the other. This promiscuity, combined with the weakening of the idea of public welfare
or the common good has eventually translated into a new legacy or privatisation of the state,
which often resorts to illegality in order to accomplish its aims. It has been white-collar crime
and corruption in general which has brought fame to the courts.

Secondly, the increasing conversion of hegemonic capitalist globalisation into something
irreversible and insurmountable, combined with signs of crisis in communist regimes has led to
a diminishing of the great political rifts. Whereas before they had enabled a political resolution
of political conflicts, they are now no longer able to achieve this and so they become less sharp,
more fragmented and more personalised, to the point where they can be transformed into legal
conflicts. This process is called the politics of depoliticisation or the legalisation of politics.
Thirdly, this legalisation of politics, which was originally a symptom of the crisis in democracy,
is now fuelled by it. Democratic legitimacy, which before had been based exclusively on the
elected political organs, parliament and the executive, has been, to a certain extent, transferred
to the courts.

This phenomenon which, in addition to the countries already mentioned, has also started to
occur over the past decade in many other Western European, Latin American and Asian
countries.(19) and the same relationship between local causes (endogenous and specific) and
remote causes (common and transnational) can be detected, although with some adjustments.
For this reason, I consider that we are facing a phenomenon of low intensity globalisation.

Very different from this process is the one which, in the same area of justice and the law, has
come to be promoted by the core countries through their agencies of international cooperation
and assistance and by the World Bank the IMF and the Interamerican Development Bank, with
the aim of promoting deep-rooted legal and judicial reforms in semi-peripheral and peripheral
countries to enable the creation of a legal and judicial institutionality which is efficient and
adapted to the new model of development, based on market priorities and mercantile
relationships between citizens and economic agents. Massive donations and loans have been
channelled into meeting this objective in a way which is unprecedented in comparison with the
cooperation, modernization and development policies of the sixties and seventies. Just as in the
globalisation process described above, here, also, a policy based on the supremacy of the law
and the law courts is being implemented and, through this, the same public visibility of the
courts, the judicialisation of politics and the consequent politicization of the judicial is
emerging. However, in contrast with the previous process, this process is very rapid and intense,
and springs from the impulse of dominant exogenous factors which are well-defined and easily
reducible to global hegemonic politics interested in creating, on a global level, an institutionality
which facilitates the limited expansion of global capitalism.(20) This is high intensity
globalisation.

The usefulness of this distinction lies in the way in which it enables us to clarify the unequal
power relations which underlie the different modes of production of globalisation and which
are, therefore, central to the concept of globalisation proposed here. Low intensity globalisation
tends to dominate in situations in which exchanges are less unequal, or, rather, in which
differences of power (between the countries, interests, actors or practices underlying the
alternative concepts of globalisation) are small. In contrast, high-density globalisation tends to
dominate in situations in which exchanges are very unequal and the differences in power are
great.

10. Where are we heading?

The intensification of economic, political and cultural transnational interactions in the last
three decades has assumed such proportions that it is legitimate to raise the question of whether
this is ushering in a new period and a new model of social development. The precise nature of
this period and this model is at the centre of current debates on the character of the ongoing
transformations in capitalist societies and in the world capitalist system as a whole. I have
claimed that the present day period is one of transition, which I have called the period of the
world system in transition. It combines characteristics of the modern world system itself with
others which indicate other systematic or extra-systematic realities. It is not a matter of the
mere juxtaposition of modern and emerging characteristics, since this combination alters the
internal logic of one or the other. The world system in transition is very complex because it is
formed from three major sets of practices – interstate practices, global capitalist practices and
transnational social and cultural practices – which are profoundly interlinked, according to
indeterminate dynamics. It is, therefore, a period which is very open and indefinite, a period of
bifurcation whose future transformations are impossible to foretell. The nature of the world
system in transition itself is problematic and the possible order is the order of disorder. Even
given that a new system will follow on from this current period of transition, it is not possible to
establish any predetermined relationship between the order that will sustain it and the chaotic
order of the present period or the non-chaotic order which preceded and sustained the modern
world system for five centuries before. In these circumstances, it is not surprising that the
current period is the object of several contradictory readings.

There are two main alternative readings of the present changes to the world system in transition
and the paths forward which it suggests: the paradigamtic reading and the subparadigamtic
reading.

The paradigamtic reading claims that the end of the sixties and the beginning of the seventies
marked a period of paradigmatic transition in the world system, a period of final crisis from
which a new social paradigm will emerge. One of the most controversial paradigmatic readings
is that proposed by Wallerstein and his collaborators. According to this author, the modern
world system entered into a period of systematic crisis which began in 1967 and will last until
the mid 21st century. In his terms, the period between 1967 and 1973 was crucial because it
marked a triple conjunction of breaking points in the world system: a) the breaking point in a
long Kondratief curve (1945–1995?); b) the breaking point in the hegemony of the USA over
the world system (1873–2025?); c) the breaking point in the modern world system
(1450–2100?).

Wallerstein warns that the proofs which support this triple rupture are more solid in a) than in b)
and in b) more than in c), which is understandable since the putative full stop of the cycles is
successively further away in the future each time. According to him, world economic expansion
is leading to the extreme commodification of social life and to extreme polarisation (social as
well as quantitative) and, as a consequence, is reaching its maximum limit of adjustment and
adaptation and will soon exhaust "its capacity to maintain the rhythmic cycles which are its
heartbeat" (1991a: 134). The collapse of mechanisms of structural adjustment opens up a vast terrain for social experimentation and for real historical choices which are very difficult to predict. In effect, the modern social sciences have proved to be of little use here, unless they subject themselves to a radical revision and insert themselves within a wider field of enquiry. Wallerstein terms such questioning utopianistic (as distinct from utopian), i.e., "the science of utopian utopias, that is, the attempt to clarify the real historical alternatives that are before us when a historical system enters into its crisis phase, and to assess at that moment of extreme fluctuations the pluses and minuses of alternative strategies" (1991a: 270).

From a very different, though converging perspective, Arrighi invites us to reconsider Schumpeter's predictions for the future of capitalism and, as a basis for this, poses the Schumpeterian question: will capitalism survive its own success? (Arrighi, 1994: 325; Arrighi and Silver, 1999). Some 50 years ago, Schumpeter formulated the thesis that the present and prospective performance of the capitalist system is such that it refutes the idea that collapse of this system will occur due to economic failure, but that, in turn, this very success corrupts the social institutions protecting the system, thus inevitably creating the conditions under which it will not be able to survive, which strongly points at socialism as its apparent heir (Schumpeter, 1976: 61). Schumpeter was thus very sceptical of the future of capitalism and Arrighi claims that history may prove him right, since the next half a century may very well confirm Schumpeter's idea, not only that capitalism was very well capable of yet another successful turn, but also that each such new turn brings about new conditions under which the survival of capitalism itself proves increasingly difficult (Arrighi, 1994: 325). In their more recent work, Arrighi and Silver emphasise the role played by the expansion of the financial system in the final crises of previous hegemonic orders (Dutch and British). The current financialisation of the global economy points towards a final crisis in the latest and most recent hegemony, that of the USA. This phenomenon is not, therefore, new but what is radically new is its combination with the proliferation and rising power of the multinational companies and the way in which they interfere with the power of national states. It is this combination which will come to sustain a paradigmatic transition (1999: 271–289). The subparadigmatic reading sees the present period as an important process of structural adjustment, in which capitalism does not appear to show a lack of resources or adequate imagination. The adjustment is significant because it implies the transition from one regime of accumulation to another, or from one mode of regulation ("Fordism") to another (still to be named: "post–Fordism"), sustained by the theories of regulation. (22) According to some authors, the present period of transition enables us to discover the limits of theories of regulation and the concepts which they convert into everyday language as the concepts of "regimes of accumulation" and "modes of regulation" (McMichael and Myhre, 1990;Boyer, 1996, 1998). The theories of regulation, at least those which are most in circulation, took the nation state as the unit of economic analysis, which probably made sense in terms of the historical period of capitalist development in the core countries in which these theories were formulated. Today, however, the national regulation of the economy is in ruins and out of these ruins a form of transnational regulation is emerging, a "global salaried relationship", based paradoxically on the increasing fragmentation of the labour markets which is dramatically transforming the regulatory role of the nation state, forcing a withdrawal of state protection for national currency, labour and commodities markets and requiring a profound reorganization of the state. In fact, it may be that a new political form is being forged: the "transnational state."

As is to be expected, all this is questionable and is being questioned. As we have seen previously, the real dimension of the weakening of the regulatory functions of the nation state is today one of the core debates in sociology and political economics. The only fact unquestioned
is that such functions have changed (or are changing) dramatically, and in a way which questions the traditional dualism between national and international regulation.

Within the subparadigmatic reading of the current period of capitalist development there is, however, some consensus on the following questions. Given the antagonistic nature of capitalist social relations, the routine reproduction and sustained expansion of the accumulation of capital is inherently problematic. For this to be obtained, it is presupposed that there is a) a dynamic correspondence between a determined pattern of production and a determined pattern of consumption (i.e. a regime of accumulation) and b) an institutional set of norms, institutions, organisations and social pacts which ensure the reproduction of an entire field of social relations on which the regime of accumulation is based (i.e. a mode of regulation). There may be crises of the regime of accumulation and crises within the regime of accumulation and the same may happen with the mode of regulation. Since the sixties the core countries have been experiencing a dual crisis in the regime of accumulation and the mode of regulation. The regulatory role of the nation state tends to become more decisive in the crises of rather than the crises within, but the way in which it is exercised depends heavily on the international context, the integration of the national economy into the international division of labour and the specific institutional capacities and resources of the State to articulate, under hostile crisis conditions, strategies of accumulation together with hegemonic strategies and strategies of trust. (23)

The paradigmatic reading is much broader than the subparadigmatic reading, as much in its substantive affirmations as in the extent of its time–space. In its terms, the crisis of the regime of accumulation and the mode of regulation are mere symptoms of a much deeper crisis: a crisis of civilization or epoch. The "solutions" to the subparadigmatic crises are the product of the system's mechanisms of structural adjustment; given that these are irreversibly corroded, such "solutions" will increasingly prove more provisional and unsatisfactory. The subparadigmatic reading is, at best, relatively agnostic with regard to paradigmatic predictions and considers that, as these are long term, they are no more than conjecture. It also holds that, if the past has anything at all to teach us, it is that up to now capitalism has successfully resolved its crises and always within a short space of time.

The confrontation between paradigmatic and subparadigmatic readings has two main registers, the analytical and the political–ideological. The analytical register, as we have just seen, is the most consistent formulation in the debate on whether globalisation is a new or an old phenomenon. Since it is assumed that what is new today is always the harbinger of what is new tomorrow, the authors who consider globalisation a new phenomena are the same as those who follow paradigmatic readings, whilst the authors who consider globalisation to be an old phenomenon, whether renewed or not, are the same as those who follow subparadigmatic readings. (24)

Yet this confrontation also has a political–ideological register, since different perspectives on the nature, range and political–ideological orientation of the ongoing transformations are at stake and therefore, also, the actions and struggles which will either promote or combat them.

These two readings are, in fact, the two fundamental arguments relating to political action within the turbulent conditions of our times. The paradigmatic arguments appeal to collective actors who favour transformative action whilst the subparadigmatic arguments appeal to collective actors who favour adaptation. It is a matter of two types–ideas of collective actors. Some social actors (group, classes, organisations) support only one of the arguments, but many of them subscribe to one or the other depending on the time or the issue, without proclaiming.
exclusive or irreversible loyalty to either. Some actors may experience the globalisation of the economy in a subparadigmatic way and the globalisation of culture in a paradigmatic way, whilst others may conceive of the reverse. Moreover, some may conceive of as economic the same processes of globalisation which others consider cultural or political.

The actors who favour a paradigmatic reading tend to be more apocalyptic in evaluating the fears, risks, dangers and collapses of our times and to be more ambitious in relation to the historical possibilities and choices which reveal themselves. The process of globalisation may be thus seen either as highly destructive of balances and irreplaceable identities or as the beginnings of a new era of global, or even cosmic, solidarity.

On the other hand, for the actors who favour the subparadigmatic reading, the present global transformations in the economy, politics and culture, despite their indisputable relevance, are neither forging a new utopia nor a catastrophe. They simply express the temporary turbulence and partial chaos which normally accompany any change to routine systems.

The coexistence of paradigmatic and subparadigmatic interpretations is probably the most distinctive characteristic of our times. And indeed is not this the characteristic of all periods of paradigmatic transition? The turbulence which for some is inevitable and controllable is seen by others as heralding radical ruptures. Amongst the latter, there are some who see uncontrollable dangers where others see opportunities for unsuspected emancipation. My analysis of the present time, my preference for transformatory actions and, in general, my sensibility – and this is the exact word to use – incline me to think that paradigmatic readings, rather than subparadigmatic readings, interpret our situation better at the start of the new millennium.(25)

References

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1) See Stallings (1992: 3). At the end of the eighties, 80% of international commerce in the USA was dominated by North American or foreign multinationals and more than a third of North American international business was, in fact, inter–company i.e., was carried out between different, geographically separate, units of the same company. In addition, nowadays, almost all direct foreign investment and a large part of the technological transfers are effected by multinational companies (Sassen , 1994: 14).

2) For a similar argument, see also Wade (1990, 1996) and Whitley (1992).

3) According to the same report, 46% of the world's population living in absolute poverty live in Sub–Saharan Africa, 40% in South Asia and 15% in the Far East, Pacific region and Latin America. However, the proportion of people living in absolute poverty dropped between 1993 and 1998 from 29% to 24% (UNDP, 2001: 22). See also Kennedy (1993: 193–228) and Chossudovsky (1997). According to Maizels (1992) exports of primary resources from the Third World increased by almost 100% during the period 1980–88. Yet the income obtained in 1988 was 30% less than that of 1980. See also Singh (1993).

4) In 1995 malaria affected, per 100 inhabitants, 16 people in Kenya, 21 in Papua New Guinea and 33 in Zambia (UNDP, 1999).


6) See also Featherstone (1990: 10); Wallerstein (1991a: 184); Chase–Dunn (1991: 103). For Wallerstein the contrast between the modern world system and the former world empires lies in the fact that the former combines a single division of labour with a system of independent states and multiple cultural systems (Wallerstein, 1979: 5).

7) On this question, see Stallings (1995) in which the regional responses of Latin America, Southeast Asia and Sub–Saharan Africa to global pressures are analysed. See also Boyer (1998) and Drache (1999).

8) Amongst many others, see Boyer (1996, 1998); Drache (1999).

9) On the concept of turbulence in scales and explosion of scales, see Santos (1996).

10) Cf. also McMichael (1996: 169). The dialectics of inclusion and exclusion are particularly visible in the global communications and information technology market. With the exception of South Africa, in terms of this market, the African continent does not exist.

11) The idea of cosmopolitanism, like universalism, world citizenship and the rejection of political and territorial borders, has a long tradition in Western culture, from the cosmic law of Pythagoras and the philalleia of Democritus to the "Homo sum, humani nihil a me alienum puto" of Terence, from the medieval res publica christiana to the Renaissance humanists, and from Voltaire, for whom "to be a good patriot, it is necessary to become an enemy of the rest of the world" to working class internationalism.

12) The distinction between the real and the symbolic should not be extended beyond
reasonable limits, since each of the poles of distinction contains the other, (or some dimension of it), although in a recessive form. The material "something more" I am referring to basically consists of the economic and social rights won and made possible through the Welfare state: indirect salaries, social security etc. The symbolic "something more" includes, for example, inclusion in a national ideology or a consumer ideology and the conquest of effective rights. One of the consequences of hegemonic globalisation has been the increasing erosion of the material, compensated for by the intensification of the symbolic "something more".

13) I analyse this question in my study of the participatory budget in Porto Alegre (Santos, 1998a).
15) On globalisation—from—the—bottom—up or anti—hegemonic globalisation, see Hunter (1995); Kidder and McGinn (1995). See also Falk (1995 and 1999). Both works consider the coalitions and international workers networks which have emerged out of the NAFTA.
16) In the same way, it is suggested that the progressive movements should use the instruments of economic nationalism to combat market forces.
17) On concepts of high or low intensity democracy see Santos (1998b) and Santos (2000b).
19) This phenomenon is analysed in detail in Santos (2000b).
20) On this global reform "movement" of the law courts, see Santos (2000b).
24) Despite considering globalisation an old phenomenon, some theorists of the world system, such as Wallerstein, follow paradigmatic readings on the basis of systematic analyses, namely the analysis of the superimposition of breaking points on the different long—term processes which constitute the modern world system.
25) The justification for this position is presented elsewhere (Santos, 1995, 2000a).