

AFSC.5-2004

## GLOBALIZATION: CASINO ECONOMY AT A GLOBAL SCALE

By Josefina M. Castillo

Program Coordinator

AFSC-TAO

"If you have food in the refrigerator, clothes on your back, a roof overhead and a place to sleep\* you are richer than 75% of the world's population"

This is a shocking phrase addressing a reality in the dawn of the 21st Century: small groups of people and certain countries are economically privileged while the majority of groups and nations do not share the economic world progress. Global economy in this context is a predominant concept which restructures our realities in the watershed of history. How can we, as common citizens, understand such a broad concept? It is certainly not an easy term to comprehend, but it might be useful if we define some of its characteristics:

- \* It is an economic system that has fostered a process from the local to the global bringing profound political and economic change during the last century.
- \* The previous nation-state is no longer a political and economic unit in the world; instead corporations are the outstanding units that rule the global market.
- \* There is transition (shift) of previous cultural autonomous integrities within each nation towards a monoculture mainly due to global technologies such as telecommunications and the media.
- \* The local self-reliance market has become dependent of foreign trade and investment. Privatization has led to an international marketplace without interference and/or regulation of the government.
- \* Nations have moved from closed boundaries to open doors (of capital and investment, but not of individuals).

Some of the consequences of the corporate led process of globalization are:

- \* Financial capital driving the system without constraints, in very destructive ways.
- \* Workers are not only exploited, but they have become irrelevant in the corporate world (unions are discouraged, no severance payment, no regulations in their workplace).
- \* Cultural traditions are undermined whereas the icons of dominant countries are considered as normative.
- \* Local communities are destroyed by downsizing.
- \* There is a lack of accountability by corporations.
- \* We are experiencing an increasing hostility towards immigrants and refugees.
- \* Continued degradation of the environment with global and local repercussions.

The effects of unregulated capitalism have led to instability and inequality of disenfranchised populations such as workers, immigrants or women in mainly overexploited countries, but also in developed nations such as the U.S. since we are now part of the globalized society. Abusive situations, lack of protection in labor standards, and the degradation of the environment are in store for working people throughout the hemisphere unless we do something about it. Varied responses are already being implemented by environmental, human rights and women's groups. They urge progressive, concerned populations to

- \* Foster national controls against unregulated corporate measures.
- \* Defend work, wages, and social protections.
- \* Boost consumer demand from below against elite consumer styles.

- \* Insist on the cancellation of debts to impoverished peoples and nations through campaigns such as the Jubilee 2000.
- \* Escape wastefulness of consumption.
- \* Foster responsibility for the environment.
- \* Defend labor and immigrant's rights.

All these are alternative actions that hinder the metaphor of the casino economy and instead promote people-centered fair trade. At all levels AFSC has a long history of addressing the global economy with a critical understanding of the various forms of social inequality. TAO is now part of a national project that calls for action towards a fair-trade economy.

## DEMOCRATIZING THE GLOBAL ECONOMY

### A PROJECT OF THE AMERICAN FRIENDS SERVICE COMMITTEE

About a year and a half ago the AFSC National Office designed a project called "Democratizing the Global Economy" (DGE), developed through a grant from the MacArthur Foundation. Evolved from the work that AFSC has been engaged both locally and internationally, the idea is to develop a concrete, substantive collaboration on issues related to economic justice. The DGE project offers a framework that can tie together the needs and interests of many different sectors of the population, with the different AFSC programs that deal with economic justice.

Four AFSC offices, which incorporate local public education activities around the global economy in their agenda, were selected for this project: Tucson, Chicago, New Hampshire and Austin (also known as TAO). A qualitative evaluation was carried out within the participating programs. It elicited relevant information regarding the programs per se, as well as personal experiences and perceptions of the global economy held by our current program constituents and coalition partners.

While meeting in early December, 2000, the DGE team chose to address a single world economy campaign: the Free Trade Area of the Americas treaty (FTAA). This is a bolder and bigger version of NAFTA that will have an impact on mostly all of the Latin American countries. There are already plans being developed toward the next meeting of trade representatives to be held in Quebec on April 17-22nd. Parallel to the FTAA Summit an alternative meeting will take place at the same time in Quebec addressing the negative results of the present global system. A range of activities are offered providing an occasion for conferences, workshops and the convergence of civil society groups that want to affect the negotiations, particularly around issues of trade and labor rights.

A primary AFSC activity will be hosting a caravan of working women from Mexico and the US. In their way to Quebec they will tour various cities where the AFSC has programs dealing with economic justice. The guests will engage in public education regarding the negative consequences of unregulated global economic integration and the impact of agreements such as NAFTA upon their lives and communities. They will refer to plant closures, no severance pay, low wages, environmental hazards and lead poisoning of workers among various other topics. Our aim is to bring together diverse communities and constituencies within and beyond the US borders to share common experiences, identify common interests and to develop common platforms of action in support of positive alternatives.

The "Alternatives for the Americas" is a document that outlines concrete and feasible options to the Free Trade Area of the Americas (FTAA) based on the interest and on the experiences of the peoples of our hemisphere. This document was developed collaboratively by international activists and scholars. It is sponsored by networks from the three countries involved in the NAFTA accords: Mexico, U.S. and Canada. The Alliance for Responsible Trade based in Washington, D. C. is the U.S. office that drafted a summary statement of this document with the hope that it will facilitate discussions and inform campaigns related to the upcoming deliberations of the Quebec Summit.

One of the issues of this project is to challenge the dominant view that "free trade" is good for everyone. Instead, it seeks to lift up the voices of those who are directly affected by the present economic system, or what is known as globalization in familiar terms. It encourages the protection of human rights, specifically focusing on labor rights, so that local sovereignty will be incorporated into international economic institutions' policies and processes.

Background information about AFSC's programs on economic justice can be found on our website: [www.afsc.org](http://www.afsc.org).