Democracy and Neo-liberal Globalization

Abstract
Although the accelerated globalization of recent decades has flourished in tandem with a notable growth of liberal democracy in many states where it was previously absent, it would be hard to say that the prevailed processes of neo-liberal globalization foster development of global democracy. On the contrary, globalization has undercut traditional liberal democracy and created the need for supplementary democratic mechanisms. But, suprastate democracy of regional and transworld regimes as well as potential unofficial channels, such as global marketplace, global communications, and global civil society, have shown many democratic deficits rather than democratic credentials. The most serious problem in the relationship between democracy and globalization is, however, related to differences among the global cultures and/or civilizations.

KeyWords
democracy, neo-liberalism, globalization, culture, civilization

As some other new notions and phenomena such as multiculturalism, clash of civilizations, bioethics, the term globalization has become known only quite recently, quite different from democracy, on the other hand, which has been well known since the ancient time. The terms ‘globalize’ and ‘globalism’ were coined in a treatise published more than sixty years ago. Although the noun ‘globalization’ first appeared in Webster’s Dictionary in 1961, as recently as the mid-1980s, words such as ‘global’, ‘globality’, ‘globalization’ and ‘globalism’, as well as concepts of ‘global politics’ or ‘global communications’ were practically unknown. Before the end of the twentieth century, debates of world affairs nearly always refer to the vocabulary of ‘international’ rather than ‘global’ relations. Although an Americanism in the first instance, during last two decades notions of globalization have quickly spread across dozens of other languages. The French synonym mondialisation has identical meaning. The recent popularity of this new term resulted with numerous controversial definitions of globalization. In normative terms, some authors have associated ‘globalization’ with progress, prosperity and peace. For others, however, the word has conjured up deprivation, disaster and doom. No one is indifferent, but many are confused.

3 Confusion concerning understanding of the meaning of globalization is not unusual. The
The Concept of Globalization

I will start with definition of globalization from the *Interdisciplinary Dictionary on Education for Human Rights and Democracy*:

“Globalization is a complex and controversial process of building of the world as a whole by creation of global institutional structures (…) and global cultural forms, i.e. the forms that have been produced or transformed by global available objects. It is declared as: a) free market-economic unification of the world with uniform patterns of production and consumption; b) democratic integration of the world based on common interests of mankind such as equity, human rights protection, rule of law, pluralism, peace and security; c) moral integration of the World concerning some central humanistic values, important for sustainable development of humanity.”

Another source argues:

“Globalization refers to the worldwide phenomenon of technological, economic, political and cultural exchanges, brought about by modern communication, transportation and legal infrastructure as well as the political choice to consciously open cross-border links in international trade and finance. It is a term used to describe how human beings are becoming more intertwined with each other around the world economically, politically, and culturally.”

The *International Monetary Fund* defines globalization more precisely in the sense that I want to stress, as “the growing economic interdependence of countries worldwide through increasing volume and variety of cross-border transactions in goods and services, freer international capital flows, and more rapid and widespread diffusion of technology”. In the similar lines, *The International Forum on Globalization* defines it as “the present worldwide drive toward a globalized economic system dominated by supranational corporate trade and banking institutions that are not accountable to democratic processes or national governments.”

Jan Aart Scholte, in his instructive and competent book *Globalization: A Critical Introduction*, stated that disputes and confusion about globalization persists because of a numerous highly diverse conceptions of it. According to him, at least five broad definitions of ‘globalization’ can be distinguished: globalization as internationalization, as liberalization, as universalization, as westernization or modernization, and finally globalization as deterritorialization or a spread of supraterritoriality. Although Scholte prefers the fifth mentioned definition and denies others as redundant concepts, I will focus on that dimensions of the phenomenon that are labeled as liberalization and westernization or modernization.

Neo-liberal Globalism

Methodologically we have made a difference between globalization as an objective present-day reality, a value-free phenomenon that has its positive and negative elements and characteristics, and globalization as neo-liberal oriented policy directed from leading world centers and powers. This sort of pro-globalization policy is usually labeled as ‘globalism’. In the *Interdisciplinary Dictionary* we defined globalism as

“…a viewpoint, doctrine and/or ideology that promote the principle of interdependence and unity of the whole world, of all nations and states instead of a national and state particularism. Differentiating of similar notions of cosmopolitism that stresses the cultural identity of pre-national ‘citizen of the world’, and internationalism that promotes ideology of revolutionary brotherhood among the nations, idea of globalism is based on the post-national economics, informational and intercultural planetary binding and interdependence. Behind the ideology of globalism can be hidden an intention of economic and cultural hegemony of the Western powers, as well as
the proletarian or socialist internationalism had served as an ideological fig leaf for the Soviet, i.e. Greater Russian hegemony over other nations from the Communist block.\(^8\)

Such pro-globalist understanding has equated globalization with *westernization* or modernization, especially in an ‘Americanized’ form.\(^9\) Notable critical theorists, such as Immanuel Wallerstein emphasize that globalization cannot be understood separately from the historical development of the capitalist world-system.\(^10\)

Following this idea, globalization is a dynamic whereby the social structures of modernity (capitalism, rationalism, industrialism, bureaucratism, etc) are spread the world over, destroying pre-existent cultural identity of the non-Western civilizations. Globalization in this sense is described as the most important instrument of continuation of Western domination over the other civilizations from the rest of the World, as *hyper capitalism*, as an imperialism of McDonald’s (or ‘mcdonaldization’),\(^11\) Hollywood and CNN,\(^12\) also as neo-colonialism. Martin Khor has on these lines declared that “globalization is what we in the Third World have several centuries called colonization”.\(^13\) From that point of view a number of theorists have suggested that global corporations now rule the world.\(^14\) On similar lines many of the same critics have denounced global governance agencies like the World Bank and the World Trade Organization for usurping the power from states and local governments.\(^15\)

New inaugurated globalization process has perpetuated if not heightened inequity in relations between countries, as well as between the West and the

word ‘international’ suffered a similar misunderstanding when it was coined by Jeremy Bentham in the 1780’s, in the age of not yet developed cross-border relations between nation states. See: Jan Aart Scholte, *Globalization: A Critical Introduction*, Palgrave, New York, 2000, pp. 14, 43.


10 Immanuel Wallerstein, “Globalization or The Age of Transition? A Long-Term View of the Trajectory of the World-System”, [http://fbc.binghamton.edu/iwtrajws.htm](http://fbc.binghamton.edu/iwtrajws.htm)


non-Western civilizations. In these accounts, globalization is a post-colonial imperialism that has not only reinvigorated the exploitation of the South, i.e. ‘periphery’, by the North, i.e. ‘centre’, but also added former communist-ruled areas of the Second World, i.e. ‘semi-periphery’, to the list of victims. It is especially related to those countries that have been permanently deserted ‘east from Heaven’ – behind the new established iron curtain between the European Union and the Eurasian (South) East. For these countries, globalization means perpetual financial and related economic crises, the immiserating effects of structural adjustment programs imposed by the IMF and the World Bank, further subordination in world trade, ecological problems without economic benefits, and cultural imperialism of global communications. Globalization has frustrated hopes and expectations that decolonization would give the South equal opportunity and self-determination in world affairs. Neoliberalism has generally prevailed as the authoritative policy framework in contemporary globalization. Indeed, this approach has generously served powerful interests, particularly those related to dominant classes and countries in today’s word. Most governments – including in particular those of the mayor states – have promoted neoliberal policies toward globalization, especially since the early 1980s. From the side of multilateral institutions, agencies such as the IMF, the WTO and the OECD have continually linked globalization with liberalization. Champions of neoliberal globalization have also abounded in commercial circles, particularly in the financial markets and among managers of transborder firms. Business associations, like the International Organization of Employers and the World Economic Forum, have likewise figured as bastions of neoliberalism. In the mass media, major business-oriented newspapers like the Wall Street Journal and the Financial Times have generally supported neoliberal policies. Given this widespread hold on centers of power, neoliberalism has generally ranked as policy orthodoxy in respect of globalization. Indeed, in recent years neoliberal ideas gained widespread unquestioned acceptance as ‘common-sense’.

Globalization and Democracy

The relationship between democracy and globalization is rather controversial with its bright and dark side. First, accelerated globalization of recent decades has unfolded in tandem with a notable growth of liberal democracy in many states where it was previously absent, such as in Central and Eastern Europe, Africa, Asia, Latin America. A so-called ‘third wave’ of democratization in the late 1980s and early 1990s has gone hand in hand with contemporary globalization. Several connections can be drawn between supraterritorial relations of globalization and the spread of liberal democracy to previously undemocratic states in the late 20th Century. For example, global human rights campaigns and other transborder civic associations, the global mass media, regional and transworld agencies have supplied various forms of democracy support which pressed for an end to many authoritarian and totalitarian governments, such as communist and apartheid regimes, military dictatorships etc., all over the world. Or, put in another words, neoliberal policies of economic globalization encourage democratization of the state. On the other hand, from its ancient origin up to now democracy, as political order, has always been established in a limited territory or community, as
Greek *polis* was before and as national state is in the modern age of liberal democracy. In the Westphalian international system, democracy exists when people group themselves as distinct nations living in discrete territories ruled by sovereign states that are subject to public popular control. Liberal democracies also have multiple political parties participating in ‘free and fair’ competitive elections, an independent mass media, educated citizens, and the rule of law. Globalization, however, has promoted non-national, i.e. supra-national institutions and communities with transborder mutual relations. Globality has transcended territory and thwarted state sovereignty. As such, globalization has undercut liberal democracy through the state and created the need for supplementary democratic mechanisms. Or, put in another words, the territorialist state-centric nature of traditional liberal democracy is inadequate in contemporary world where numerous and significant social relations are suprateritorial. Global democracy needs more than a democratic state. In principle, the growth of multilayered governance of local, regional and transworld bodies could be hopeful development for democracy that generally emphasizes decentralization, checks on power, pluralism and participation. In practice, however, post-sovereign, decentralized governance induced by globalization has proved to be decidedly less democratic than national governance in a sovereign state. Although the current worldwide trend of decentralization from national to provincial and district authorities is generally welcome it does not automatically mean democratic progress, but rather democratic deficit, e.g. when local mafia hijack a municipal or local government. Suprastate democracy of regional and transworld regimes has shown many democratic deficits, as well. *EU and UN are more bureaucratic than democratic institutions.*

On the other hand, globalization has opened greater space for democratic activity outside public governance institution through different unofficial channels, such as *global marketplace, global communications, and global civil society.* In so-called market democracy consumers and shareholders ‘vote’ with their wallets and savings for producers that provide the highest returns in a global market. In this reconstruction of democracy, sovereignty is relocated from the national state to the global market. While state-centric democracy focuses on citizen rights and responsibilities, market-based democracy concentrates on product quality to maximize collective human happiness. Nevertheless, ‘consumer choice’ has generally very limited influence on democratic development, and shareholders have usually represented private and privileged interests rather than the *demos* at large. On the contrary, the growing concentration of capital in powerful transborder companies without any public control has presented a major problem for democracy. The role of global communications in the development of alternative sources of global democracy could be much more serious.  


20 Marshall McLuhan was the first so far who pointed out even in the 1960's the role of
have certainly served democratic projects on many occasions concerning the historical collapse of Communism, such as the triumph of *Solidarity* in Poland, the breached Berlin Wall, etc. However, electronic bulletin boards in the Internet, video teleconferences and interactive television have shown important possibilities of enhancing communications among citizens. A future electronic and digital democracy can fulfill potentials in global space that territorial democracy could never realize. On these accounts ‘netizens’ in a ‘virtual polis’ would enjoy far higher degrees of participations, consultation, transparency and public accountability than old-style citizens could obtain *vis-à-vis* the state. In a ‘push-button democracy’ of digital referenda, people could in principle have an instant input to any policy deliberation.

Yet the politics of global communications are not as benevolent as that, concerning poor democratic credentials of the electronic governance. First, the *demos* in global communications networks has been small and unrepresentative, concentrated mostly in the developed North. On the other hand, fast spread of mobile telecommunications in recent years shows that it can be changed! Second, electronic mass media can be source of demagogic manipulation and anaesthetize people with self-indulgent entertainment. Idiocy of reality shows on TV is disturbing example. Global communications have not grown in the first instance as a democratic project, but as a lucrative form of supraterritorial capitalism, so these are thus subject to the same limits on democracy that affect any ‘open’ global market. Majority of left-wing pro-globalists emphasizes the *global civil society* as the main agent of an alternative ‘globalization from below’, as an arena of virtue that overcomes domination in government and exploitation in the market. However, there are some serious problems concerning civil society as a ‘Holy Grail’ of global democracy. First, the phrase ‘civil society’ has meant many different things: including variety of social groups, NGOs, such as academic institutes, human rights advocates, environmental campaigns, peace activists, women’s networks, as well as criminal syndicates, ethnic and racial lobbies etc. On the other hand, the legitimating potentials of global civil society are weak, particularly concerning democratic credentials, participation, transparency and public accountability.21

**Globalization and the Clash of Civilizations**

The most serious problem in the relationship between democracy and globalization is related to differences among the global cultures and/or civilizations.

Which is the relationship between the *globalization* and *civilization* paradigm, between globalization and the clash of civilizations?

If we, however, have in mind globalism as an ideological and driving force of the widespread globalization, than we can describe globalization, more precisely expressed as neo-liberal globalism, just as an instrument, even as the most efficient one, used by the West in order to maintain its superior position in the ongoing clash of civilizations.

It is obvious that the civilizational paradigm, i.e. Samuel Huntington’s concept on the clash of civilizations is not just an ideologizing delusion of a right wing conservative and occident centric reactionary, or a disciple of Karl Schmitt and Oswald Spengler that has followed their old fashioned scenario… although he has been permanently labeled that way by politically correct wish-
ful thinkers from the ranks of the Western academic community. It has been witnessed by the course of global events since his paradigm has appeared:

- American-NATO’s strikes on Afghanistan and Iraq;
- extremist governments in Iran and Palestine;
- Islamic reactions against the Danish cartoons of Mohammad and European counter-reactions;
- the accelerated development of the Iranian nuclear technology;
- Israel-Hezbollah war in Lebanon;
- The speech on Islam of Pope Benedict XVI in Regensburg, and reactions.

Wishful thinkers have condemned Huntington as a messenger of bad news, as well as the great social and political philosopher Nicollo Machiavelli has been accused for immorality that has prevailed in real politics during centuries just because he detected and analyzed it. In this sense, Huntington can be labeled as Machiavelli of the 21st Century.

Which is the role of globalization in the context of civilizational diversity? The great political ideologies of the 20th century include liberalism, socialism, anarchism, corporativism, Marxism, communism, social democracy, conservatism, nationalism, fascism, and Christian democracy. They all share one thing in common: they are products of Western civilization. No other civilization has generated a significant political ideology. The West, however, has never generated a major religion. The great religions of the world – Judaism, Christianity, Islam, Hinduism, Buddhism, Confucianism, Taoism, and Shinto – are all products of non-Western civilizations. It is obvious that culture and religion have become significant instruments of resistance to Western dominance used by non-Western civilizations, especially Islam in order to abandon Western ideologies including the brand new one, i.e. neo-liberal globalization. Corresponding this fact, the movements for religious revival are antisecular, antiuniversal, and, except in their rare Christian manifestations, anti-Western. They also are opposed to the relativism, egotism, and consumerism, but they do not reject modernization, science, and technology. They don’t accept Western ideologies: “Neither nationalism nor socialism produced development in the Islamic world, but religion as the motor of development”, as one Muslim leader said. Purified Islam is going to play a role in the contemporary era comparable to that of the Protestant ethics in the history of the West, as Max Weber theoretically explained.


of Islam means the repudiation of European and American influence upon local society, politics, and morals. In this sense, the revival of non-Western religions is the most powerful manifestation of anti-Westernism in non-Western societies.

In the present moment, the West try to preserve its dominant world position by instruments of globalization. Three issues involve such efforts of the West: a) to maintain its military superiority through policies of nonproliferation and counterproliferation with respect to nuclear, biological, and chemical weapons, and the means to deliver them; b) to promote Western political values and institutions by pressing other societies to respect human rights as conceived in the West and to adopt democracy on Western lines; and c) to protect the cultural, social, and ethnic integrity of Western societies by restricting the number of non-Westerners admitted as immigrants or refugees. In all three areas, the West has had and is likely to continue to have difficulties defending its interests against those of non-Western societies. First, human rights and democracy non-Westerners do not see as universal human values but as distinctive Western values, which have been used as the source of Western hegemony. Second, concerning these values, hypocrisy and double standards are lasting characteristic of the Western behavior, i.e. gaps between Western principles and Western action. Examples: Democracy is promoted but not if it brings Islamic fundamentalists to power; nonproliferation is preached for Iran and Iraq but not for Israel; human rights are an issue with China but not with Saudi Arabia.

There are many sources of the process of Western expansion and domination in the world affairs: superior weapons, transport, logistic, medical services, organization, discipline etc. The most important is the Western leadership in the Scientific and Industrial Revolution. It is very important to point out here that the West won the world not by the superiority of its ideas or values – such as democracy, liberty and justice – but rather

‘‘… by its superiority in applying organized violence. Westerners often forget this fact; non-Westerners never do.’’

There is a delusion that is broadly spread in the Western civilization. This is a delusion about a universal world civilization that shares mutual common acceptable human values. Which are those values? Democracy, liberty, rule of law, equality, social and political pluralism, individualism... all those values belong to the Western civilization. However, the concept of a universal civilization is a distinctive product of Western civilization that helps justify Western cultural dominance of other societies. Universalism is the ideology of the West for confrontations with non-Western cultures.

In the emerging world of ethnic conflict and civilizational clash, Western belief in the universality of Western culture suffers three problems: it is false; it is immoral; and it is dangerous. Human rights, pluralism, individualism, liberty, democracy, the rule of law... these are not universal values, and the West does not have right to force others to accept these.

The same problem is with globalization, particularly when it is shaped and promoted as neo-liberal globalization.

**Universal Civilization?**

The paradigmatic example of the criticism of Huntington’s theory on the clash of civilizations is given by a German scholar Dieter Senghaas in his book
The Clash within Civilizations: Coming to terms with cultural conflicts. In contrast to the so called ‘essentialist assumptions of Huntington’s cultural analyses’, Senghaas argues that the main fault-lines between and within cultures/civilizations are socio-economic, not geo-cultural. On the other hand, Senghaas argues that fundamental conflicts over the direction of societal development, and especially the structure of public order, are cultural conflicts in the broadest sense of the term, that can be witnessed everywhere in all parts of the World. Domination and the leading role of the Western civilization is understood by Senghaas as a natural exact fact, arguing that all over the world the European experience is being repeated. As soon as traditional cultures are confronted with modernization and societies from different civilizations thus face a structural, and consequently mental transformation, these cultures become subject to deep internal conflict. This was the case in Western Europe, and is now a global phenomenon. Senghaas understands modernization, not as the exclusive Western product, but as universal phenomenon:

“Modernization is an uneasy, conflict laden process because it questions the traditional basis of economic reproduction and patterns of social stratification, current collectivist value orientations and, consequentially, traditional forms of rule. This all happened in European history, and it is repeating itself today all over the world before our eyes.”

Senghaas confronts Huntington’s idea of different civilizational and cultural values arguing that there are all universal values, today’s ‘Asian collectivist values prevailed in the European past, as well as actual ‘European’ individualist values will prevail in the future of all non-European civilizations. Senghaas, as well as Francis Fukuyama in his theory of the end of history, here repeats an old well-known metaphysical Judeo-Christian Hegelian-Marxist concept of the universal philosophy of history. As well as Huntington did, Senghaas also pledged, at the end of his book, for a reorientation of the intercultural, i.e. intercivilizational dialogue.

Senghaas starts with alleged intercivilizational dialogue demanding of non-Europeans to learn from the European experience. The weakest point of his concept of intercivilizational dialogue is his naïve Western paternalism, i.e. his belief that today predominant non-Western cultural values originate from a primitive phase of the European distant history. Or, putting in another words, all civilizations must follow historical experience of the superior Western or European culture and civilization and accept its superior values as universal facts. Is it a true fundament for intercultural dialogue?


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http://www.ifg.org/analysis.htm
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Demokratie und neoliberale Globalisierung

Zusammenfassung
Obwohl die beschleunigte Globalisierung der letzten Jahrzehnte in vielen ehemals undemokratischen Ländern im Gleichschritt mit der liberalen Demokratie vorankam, lässt sich nicht behaupten, dass die neoliberalen Globalisierungsprozesse die Entwicklung einer globalen Demokratie fördern. Im Gegenteil, die Globalisierung gefährdet die traditionelle liberale Demokratie, indem sie ein Bedürfnis nach zusätzlichen demokratischen Mechanismen aufkommen lässt. Denn die überstaatliche Demokratie regionaler und globaler Systeme sowie ihre inoffiziellen Instrumente und Akteure, wie der globale Markt, die globale Kommunikation und die globale Zivilgesellschaft, weisen viel mehr demokratische Defizite als demokratische Potenziale auf. Das ernstzunehmendste Problem im Spannungsfeld zwischen Demokratie und Globalisierung liegt jedoch im Bereich der Unterschiede zwischen den globalen Kulturen und/oder Zivilisatio-

Schlüsselwörter
Demokratie, Neoliberalismus, Globalisierung, Kultur, Zivilisation

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La démocratie et la globalisation néolibérale

Résumé
Bien que la globalisation des dernières décennies se soit développée en parallèle avec les démocracies libérales dans beaucoup de pays jusqu’alors non démocratiques, il aurait été difficile de dire que les processus prédominants de la globalisation néolibérale favorisent le développement de la démocratie globale. Bien au contraire, la globalisation menace la démocratie traditionnelle libérale en créant la nécessité des mécanismes démocratiques supplémentaires. Or, la démocratie supra-étatique des régimes régionaux et globaux, de même que ses instruments et moyens non officiels, tels que le marché global, la communication globale et la société civile globale ont démontré plutôt un déficit qu’un potentiel démocratique. Toutefois, le plus grand problème du rapport entre la démocratie et la globalisation réside dans les différences de cultures et de civilisations.

Mots clés
Démocratie, néolibéralisme, globalisation, culture, civilisation