



30 - 31 JULY 2003
TOKYO JAPAN

INTERNATIONAL CONFERENCE

Globalization with a Human Face

Benefitting All



United Nations Educational, Scientific and Cultural Organization
www.unesco.org



UNITED NATIONS
UNIVERSITY

United Nations University
www.unu.edu



30 - 31 JULY 2003
TOKYO JAPAN

INTERNATIONAL CONFERENCE

Globalization with a Human Face

Benefitting All



United Nations Educational, Scientific and Cultural Organization
www.unesco.org



UNITED NATIONS
UNIVERSITY

United Nations University
www.unu.edu

This work on *Globalization with a Human Face - Benefitting All* was directed by HANS D'ORVILLE, Director, Bureau of Strategic Planning, UNESCO

Edited by BALTHAS SEIBOLD,
Bureau of Strategic Planning, UNESCO

The authors are responsible for the choice and the presentation of the facts contained in this book and for the opinions expressed therein, which are not necessarily those of UNESCO / the United Nations University (UNU) and do not commit the Organizations.

The designations employed and the presentation of material throughout this publication do not imply the expression of any opinion whatsoever on the part of UNESCO / UNU concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Published in 2004
by the United Nations
Educational, Scientific and Cultural Organization
7, place de Fontenoy
75352 Paris 07 SP France

Photographs by
Makoto Arai, Diplomatic News Productions, Japan (inside)
Giacomo Pirozzi and Mark Henley, Panos Pictures, UK (cover)

Design by [sign*]
57 rue Locquenghien - 1000 Bruxelles - Belgium
www.designbysign.com

Printed by J. Verhoeven
Bergensesteenweg 776c - 1600 St. Pieters-Leeuw - Belgium

© UNESCO 2004 (BSP-2004/WS/3)
Printed in Belgium

TABLE OF CONTENTS

TABLE OF CONTENTS

FOREWORD

KOICHIRO MATSUURA,
Director-General, United Nations Educational,
Scientific and Cultural Organization (UNESCO)

PP.13-15

16-36

I. INTRODUCTION

UNESCO'S RESPONSE TO GLOBALIZATION	KOICHIRO MATSUURA Director-General, United Nations Educational, Scientific and Cultural Organization (UNESCO)	PP.18-25
JAPAN'S VISION OF GLOBALIZATION IN WHICH ALL PEOPLE CAN SHARE THE BENEFITS	SHINAKO TSUCHIYA, Parliamentary Secretary for Foreign Affairs, Japan	PP.26-29
GLOBALIZATION IN THE AREAS OF EDUCATION, SCIENCE, SPORTS AND CULTURE IN JAPAN	YASUKO IKENOBO, Parliamentary Secretary for Education, Culture, Sports, Science and Technology, Japan	PP.30-33
MAPPING GLOBALIZATION	HANS VAN GINKEL, Rector, United Nations University (UNU)	PP.34-36

46-79

II. GLOBALIZATION AND THE FORGOTTEN DIMENSIONS

CARING, SHARING AND DARING - MAKING GLOBALIZATION WORK FOR ALL	FIDEL RAMOS, former President of the Philippines	PP.48-57
GLOBALIZATION – FRIEND OR FOE OF THE DEVELOPING WORLD ?	MOEEN QURESHI, former Prime Minister of Pakistan	PP.58-67
THE PROCESS OF GLOBALIZATION	EDUARDO ANINAT, former Deputy Managing Director, International Monetary Fund (IMF)	PP.68-79

80-117

III. DRIVING FORCES OF GLOBALIZATION

THE DRIVING AND DIVIDING FORCES OF GLOBALIZATION

SEUNG-SOO HAN,
Member of the National
Assembly and former Minister,
Republic of Korea, President
of the fifty-sixth session of
the UN General Assembly

PP.82-89

THE DIGITAL REVOLUTION REVISITED

HANS D'ORVILLE,
Director, Bureau of Strategic
Planning, UNESCO

PP.90-99

THE DEMOGRAPHIC REVOLUTION AND DEVELOPMENT. SOCIO-ECONOMICS IN THE FORESEEABLE FUTURE

SERGEY KAPITZA,
Academician and Vice-President,
Russian Academy of Natural
Sciences

PP.100-117

118-144

IV. GLOBALIZATION AND THE HUMAN CONDITION

BUILDING TRUST - OVERCOMING THE CLASH OF GLOBALIZATIONS	AKIRA KOJIMA, Senior Managing Director and Editor in Chief, Nihon Keizai Shimbun (NIKKEI), Japan	PP.120-129
GLOBALIZATION AS GLOBAL EXCLUSION	JAN PRONK, Professor, Institute of Social Studies, The Hague, and former Minister of Development Cooperation, the Netherlands	PP.130-137
EDUCATION AND GLOBALIZATION - FACILITATING THE HARMONIOUS DEVELOPMENT OF GLOBALIZATION AND DIVERSIFICATION	DONGCHENG HU, Vice-Chancellor, Tsinghua University, China	PP.138-144

154-177

V. CULTURAL DIVERSITY, DIALOGUE AND ETHICS

IN THE MIDDLE OF THE RIVER – AFRICA, CULTURE AND GLOBALIZATION	AMINATA TRAORÉ, former Minister of Culture, Mali	PP.156-161
IMMIGRATION, CULTURAL DIVERSITY AND HUMAN RIGHTS	ANDREAS VAN AGT, former Prime Minister of the Netherlands	PP.162-167
THE EDUCATIONAL TASK OF PHILOSOPHY IN OUR CENTURY – CULTURAL INTEGRATION FOR WORLD PEACE	TOMONOBU IMAMICHI, Director, International Centre of Philosophy, Japan	PP.168-173
OUR SHARED VALUES - LETTER	HRH PRINCE EL HASSAN BIN TALAL	PP.174-177

178-203

VI.
THE WORKING
GROUPS'
DELIBERATIONS
ON CULTURE,
EDUCATION,
ENVIRONMENT AND
COMMUNICATION

<p>GLOBALIZATION AND CULTURAL POLICY – SUMMARY OF THE WORKING GROUP'S DELIBERATIONS AND POLICY RECOMMENDATIONS</p>	<p>JOEL SHELTON, UNU</p>	<p>PP.180-185</p>
<p>GLOBALIZATION AND EDUCATION POLICY – SUMMARY OF THE WORKING GROUP'S DELIBERATIONS AND POLICY RECOMMENDATIONS</p>	<p>SOISIK HABERT, UNU</p>	<p>PP.186-191</p>
<p>GLOBALIZATION AND ENVIRONMENTAL POLICY – SUMMARY OF THE WORKING GROUP'S DELIBERATIONS AND POLICY RECOMMENDATIONS</p>	<p>SERGIO PEÑA-NEIRA, UNU/IAS</p>	<p>PP.192-197</p>
<p>MEDIA, COMMUNICATION AND GLOBALIZATION – SUMMARY OF THE WORKING GROUP'S DELIBERATIONS AND POLICY RECOMMENDATIONS</p>	<p>BALTHAS SEIBOLD, UNESCO</p>	<p>PP.198-203</p>

204-216

VII. ANNEXES

PROFILES OF CONTRIBUTORS

PP.206-211

EXTRACT ON GLOBALIZATION FROM UNESCO'S MEDIUM-TERM STRATEGY (31 C/4): UNESCO CONTRIBUTING TO PEACE AND HUMAN DEVELOPMENT IN AN ERA OF GLOBALIZATION THROUGH EDUCATION, THE SCIENCES AND COMMUNICATION - THE GLOBAL SETTING

PP.212-216

FOREWORD

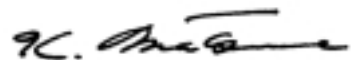
Globalization, broadly conceived, has brought many benefits to humankind: through its economic impact, especially in terms of increased trade and investment; through its technological impact, especially the way it has allowed the chasms of time and distance to be bridged; and through its social and political impact, especially because it reveals our global interdependence and opens up new opportunities for participation, empowerment and communication.

However, globalization's benefits are not distributed in an equitable way either within or between societies. On a daily basis, the majority of humankind experience full or substantial exclusion from these benefits. Furthermore, the adverse side-effects arising from globalization are often borne disproportionately by those who least enjoy its benefits.

This is why UNESCO, together with the United Nations University, organized in July 2003 the International Conference "Globalization with a Human Face - Benefitting All" at the United Nations University in Tokyo.

This volume contains over 20 viewpoints presented by many distinguished personalities, among them former heads of state and government, who participated in the Tokyo conference. By drawing upon their insights, knowledge and experience, we shall be able to assess the impact of globalization on societies, to identify clearly the action and partnerships most needed, and to map out a more balanced approach towards globalization. The volume addresses many issues relating to the effects of globalization, in particular, cultural diversity, human security, international dialogue, ethics, cultural policy, education policy and media and communication.

For UNESCO, such reflection is of high importance. The Organization's Medium-Term Strategy (2002-2007), approved by UNESCO's General Conference in November 2001, has as its unifying theme: "UNESCO contributing to peace and human development in an era of globalization through education, the sciences, culture and communication". The idea of "globalization with a human face", in fact, is woven into the very fabric of UNESCO's strategic responses to globalization, whose challenges, drawbacks and opportunities constitute the global agenda of our time.



KOÏCHIRO MATSUURA

Director-General, United Nations Educational, Scientific and Cultural Organization (UNESCO)

UNESCO AND GLOBALIZATION

In 1999 the United Nations Development Programme chose as the focus of its annual Human Development Report the theme of “Globalization with a Human Face”. The report argued that, although globalization – a process characterized by shrinking space, shrinking time and disappearing borders – has the potential of bringing great advances for humankind, markets alone cannot ensure that these advances are equally shared by all members of the global community.

The main reason lies in the fact that global market forces can have negative effects on the provision of public goods such as social services, a healthy environment, or pluralistic cultural expression, a view that has come to be widely shared in the international community. In order to achieve a just distribution of the benefits of economic globalization, its negative side-effects have to be offset by reforms of governance on the international, regional and local levels, aimed at ensuring that those currently not driving the process of globalization can make their voices heard in the political processes affecting the range of their own personal choices.

The verbal commitment to policy development and implementation aimed at countering the adverse effects of globalization on the part of national and international governmental actors is certainly strong. In addition, much academic activity has taken place in order to explore in depth the relationship between economic globalization and social and cultural development. The actual situation of persisting gaps in income between rich and poor countries and the provision of means to satisfy basic human needs, however, shows that policy outcomes are not yet satisfactory.

In its Medium-Term Strategy for 2002-2007, UNESCO has centered its mission around the theme of contributing to peace and human development in an era of globalization through education, the sciences, culture and communication (see also *Excerpts on Globalization from UNESCO's Medium-Term Strategy* in the annex).

This theme creates a fundamental linkage between UNESCO's mandate and role on the one hand and globalization with a human face on the other. A key goal within this strategy is to build international consensus on emerging norms and principles in order to respond to new challenges and dilemmas as a result of globalization. The trend towards homogenization of educational, cultural, scientific and communication activities is disquieting and risks bringing about uniformity of content and perspective at the expense of the world's creative diversity. The growing commercialization of many spheres, previously considered as public goods such as education, culture and information, jeopardizes weaker, economically less powerful, but nevertheless equally important, segments of the world community. There are currently very few set rules of the game and, unless a universally agreed framework can be defined, the poor and the weak will continue to be denied the benefits of globalization. Globalization must be made to work for all.

THE INTERNATIONAL CONFERENCE IN TOKYO

“Globalization With a Human Face – Benefitting All” was the subject of the two-day conference organized by UNESCO and the United Nations University (UNU) in Tokyo, Japan, on 30 and 31 July 2003 with the participation of former heads of state, ministers and academics from all parts of the world. The conference was opened by UNESCO Director-General Koïchiro Matsuura and by Hans van Ginkel, Rector of the United Nations University. After opening, public sessions examined the following subjects: “Globalization and the Forgotten Dimensions”; “The Driving Forces of Globalization”; “Globalization and the Human Condition” and “Cultural Diversity, Dialogue and Ethics”. On the second day the participants, over 110 in number, explored the effects and potential of globalization in culture, education, environmental policy and communication in four working groups.

Among the keynote speakers were Fidel Ramos, former President of the Philippines, Moeen Qureshi, former Prime Minister of Pakistan, Andreas van Agt, former Prime Minister of the Netherlands and Eduardo Aninat, former Deputy Managing Director of the International Monetary Fund (IMF).

The conference took stock of achievements in understanding the multiple linkages between the economic and political driving forces of globalization and socio-cultural development, and evaluated the effectiveness of political action taken to balance the negative with the positive effects of globalization on people’s lives.

This assessment served as a basis to identify best-policy practices, as well as areas and means for improving the policy response on part of governmental and civil society actors on international, regional, national and local levels to the challenges of globalization. Here, the conference focused on the areas of cultural policy, education policy, environmental policy, and the role that the media and communication can, and should, play to extend the benefits of globalization to all of humankind.

The program and more information is available online at:

<http://www.unesco.org/bsp/globalization/> and <http://www.unu.edu/globalization/>

I. INTRODUCTION

PP.18-25

KOÏCHIRO MATSUURA, Director-General, United Nations Educational,
Scientific and Cultural Organization (UNESCO)

UNESCO'S RESPONSE TO GLOBALIZATION

PP.26-29

SHINAKO TSUCHIYA, Parliamentary Secretary for Foreign Affairs, Japan

JAPAN'S VISION OF GLOBALIZATION IN WHICH ALL PEOPLE CAN SHARE THE BENEFITS

PP.30-33

YASUKO IKENOBO, Parliamentary Secretary for Education, Culture, Sports, Science and Technology, Japan

GLOBALIZATION IN THE AREAS OF EDUCATION, SCIENCE, SPORTS AND CULTURE IN JAPAN

PP.34-36

HANS VAN GINKEL, Rector, United Nations University (UNU)

MAPPING GLOBALIZATION

KOÏCHIRO MATSUURA

Director-General, United Nations Educational,
Scientific and Cultural Organization (UNESCO)

Koïchiro Matsuura was elected the eighth Director-General of UNESCO in 1999, and was the first of Asian origin (Japanese). He studied economics and law, first in Japan at the University of Tokyo, and then in the United States. He held several diplomatic posts with the Japanese Ministry of Foreign Affairs, including Second and later First Secretary of the Japanese Delegation to the OECD; Counselor of the Embassy of Japan in the United States; and Consul General of Japan in Hong Kong. He was then named Director-General of the Economic Cooperation Bureau. While Director-General of the North American Affairs Bureau, Mr. Matsuura began his formal writing career and has had numerous titles published. An accomplished author in the fields of economic cooperation, bi-lateral relations, and perspectives on development, he represented Japan at the 1994 G7 summit as Deputy Minister for Foreign Affairs. From 1994-99, Mr. Matsuura was called upon to serve as Ambassador of Japan to France and concurrently to Andorra and Djibouti. During this period he published *Japanese Diplomacy at the Dawn of the 21st Century*.

More information online at: <http://www.unesco.org/dg/>

UNESCO'S RESPONSE TO GLOBALIZATION

The social, human and cultural dimensions of development and globalization have been at the core of the work of UNESCO. Today, more than ever, the challenge of achieving “globalization with a human face” is immense. In quantitative terms, the scale of global inequities is shocking. Around the world, 1.2 billion people are living on one dollar a day or less. Indeed, the persistence of extreme poverty is the clearest sign that globalization is not working for humanity as a whole. According to UNESCO’s latest estimates, there are 862 million illiterate adults and 115 million children who are out-of-school. In other words, close to one billion men, women and children have not received a basic education, which is the very minimum for effective participation in today’s globalizing societies. Furthermore, 1.2 billion people – one-fifth of the world’s population – have no access to safe drinking water, and nearly 2.5 billion people – 40 percent of the inhabitants of our planet – have no access to basic sanitary facilities. Clearly, the very basics of a healthy and dignified human life are far from universally available. And, in the very areas where globalization is supposed to be changing our lives most dramatically – communication and information – enormous gaps still remain. For example, the levels for fixed line and mobile telephones are 121.1 per 100 inhabitants in developed countries, 18.7 in developing countries, and just 1.1 in the least developed countries. Meanwhile, the 400,000 citizens of Luxembourg share more international Internet bandwidth than Africa’s 760 million citizens. One might conclude from all these figures that perhaps one-third of humanity has yet to enter the twentieth, let alone the twenty-first, century.

In addition, globalization is generating new problems and challenges. In many areas of life, the ethical ground is shifting beneath our feet due to the very rapidity of scientific and technological change, which is outstripping our capacity to devise appropriate ethical, political and social responses. For example, today’s debates in the field of bioethics, such as those concerning human cloning, deal with unprecedented issues in the history of ethical discourse. New information and communication technologies (ICTs) are also creating new kinds of problems, such as those regarding content. Meanwhile, long-established assumptions about the meaning of “quality” in educational terms are coming under renewed scrutiny. The very nature of globalization requires the development of knowledge, values, skills and behaviours that enable young people to cope with complexity and change. As we enter the twenty-first century, educational processes must generate appropriate forms of learning – how to live together, how to be tolerant and respectful of diversity, how to respect one another’s rights and how to build a sustainable future.

It is against this background of new challenges and problems, especially the large-scale inequities evident in the distribution of globalization’s benefits, that the phrase “globalization with a human face” acquires its meaning and significance. It is a phrase with certain connotations.

There is the implication that, especially in terms of its economic, financial and technological dimensions, globalization is not sufficiently “human” in its effects. There are three main concerns here. First, there is an anxiety that, left to its own devices, globalization cannot be relied upon to benefit the whole of humanity. Concern about global poverty, social exclusion and the digital divide is based on a fear that globalization is exacerbating rather than reducing the divisions and inequalities in our world. How can a process be “human” if large parts of humanity are left out of account?

Second, the notion of a “human face” draws attention to the way in which development occurs. However impersonal the forces shaping our world may seem, in practice they occur through the actions of people – as they live, work, think, choose and decide. At the heart of globalization, there is a complex pattern of mutable relationships – between the global and the local, between the “included” and the “excluded”, between those who benefit more and those who benefit less. These relationships are neither fixed nor uncontested. It is vitally important, therefore, to affirm that creative and purposive human agency, individual and collective, remains a potent force in the world. Human action, which is centrally important in the dynamic processes of development, is fundamental to our engagement with globalization and the basis of our hopes for a better future for all.

Third, the “human face” also refers to the ends that globalization processes should serve. Those processes could serve a number of different ends, some of which may restrict rather than enlarge our potential as individuals and as a species. The felt need to humanize globalization rests on the conviction that greater human welfare and well-being should be the desired outcomes of globalizing processes.

These distinctions help us to see that how we conceptualize globalization influences how we respond to it. Our programmes, policies and actions should be framed in terms of “responding to” globalization rather than “reacting against” it. We should, of course, try to understand why some people and some communities may reject globalization and seek to disengage from it. But, given the spreading impact of globalization on all aspects of our lives, such disengagement is illusory. In practice, the real task is to engage with globalization in order to make it better serve human interests and the common welfare of humankind.

UNESCO is seeking to address the concrete challenges presented by globalization in all of its fields of competence. To concentrate its efforts, however, the Organization is currently focusing on selected principal priorities in each of its five Programme Sectors, all of which are inextricably linked to development in an era of globalization: i) basic education for all (EFA); ii) water and related ecosystems; iii) cultural diversity and dialogue among civilizations; iv) the ethics of science and technology, with particular emphasis on bioethics; and v) equitable access to information and knowledge.

In the perspective of humanizing globalization, UNESCO's activities relating to these five principal priorities are structured along three strategic axes. Each of these strategic thrusts – namely, protecting the common good, enhancing diversity and promoting knowledge-sharing – will now be examined in turn.

Protecting the common good involves developing and promoting universal principles, norms and standards based on shared values. This has always been central to UNESCO's ethical mission. In this age of accelerating globalization, however, powerful trends of homogenization and commercialization endanger the very idea of the common good and question the adequacy of existing normative standards and the mechanisms to enforce them. Globalization threatens to bring about an excessive uniformity of content and perspective at the expense of the world's creative diversity. The growing commercialization of many spheres, previously considered as public goods – such as education, culture and information – may impair the ability of some countries and communities to preserve their way of life and improve their quality of life.

As a result, the desirability of establishing new normative instruments has attracted serious attention, especially where the universality of rights and freedoms is under threat. Such universal instruments are especially important in order to provide governments and the general public with principles, values and norms to guide their actions and decisions. UNESCO's work in the area of bioethics may be cited in this regard, as may its preparation of new normative instruments in the areas of cultural diversity, intangible cultural heritage, multilingualism and universal access to cyberspace, and the preservation of the digital heritage.

How can a process be “human”
if large parts of humanity are left
out of account?

There are, of course, ways to protect and strengthen the common good other than through the creation of new normative instruments. UNESCO's efforts in regard to fresh water, for example, are built upon the strength of the International Hydrological Programme (IHP) and on the multi-agency World Water Assessment Programme (WWAP), whose first World Water Development Report was launched at the Third World Water Forum in Kyoto in March 2003. UNESCO's contributions to achieving the Millennium Development Goal of halving the proportion of people without access to safe drinking water are based firmly on principles of universality.

Similarly, UNESCO's efforts regarding Education for All (EFA) are grounded upon ensuring the realization of everyone's right to basic education. Without the widespread, indeed universal, fulfilment of this right, we cannot talk sensibly about education as part of the common good. The role of governments and public authorities is indispensable in this regard, for it is their responsibility to guarantee that all have access to quality basic education. This is a public responsibility that cannot be off-loaded upon the private sector or civil society.

While commercialization, marketization and privatization are powerful currents running through present-day globalization processes, affecting education as well as other areas of human activity, UNESCO's Member States have placed themselves squarely behind the drive to secure quality basic education for all. Maintaining and enhancing this commitment is a continuous task, one that requires efforts of leadership, coordination, partnership, persuasion and information. The High-Level Group on EFA, which meets next in New Delhi in November 2003, and the Working Group on EFA, which met recently in Paris, are crucial instruments in this work, as is the EFA Global Monitoring Report, whose preparation is undertaken by an independent international team based in UNESCO.

Let me now turn to the second main thrust within UNESCO's strategic approach to globalization, namely, enhancing diversity. Globalization, of course, cannot be held responsible for all threats to global diversity, but the scale and rapidity of globalization processes today are providing an added dimension of danger, one which needs timely and effective responses before it is too late. The UNESCO Universal Declaration on Cultural Diversity (2001) is a landmark document which has stimulated calls for an international convention in this area, but it should not be thought that our concerns and actions regarding diversity are limited to the cultural realm alone.

The need to promote pluralism through recognizing and safeguarding diversity is evident in other fields too: for example, in regard to biodiversity, linguistic diversity, and the multiple forms of creative human expression embodied in tangible and intangible heritage. Furthermore, diversity is also a vital dimension of scientific enquiry, the search for new knowledge in all academic disciplines and the transmission of knowledge through the media and materials used

in teaching/learning processes such as textbooks. Diversity is the lifeblood of ethical debate and intellectual exchange, and its recognition is indispensable for a genuinely free press to flourish. And, in our increasingly multicultural, multi-ethnic and multi-religious societies, tolerance and respect for diversity are the public virtues on which new forms of social cohesion can be built.

UNESCO's commitment to enhancing diversity, therefore, is expressed in all its fields of competence. It is also an essential aspect of the Organization's promotion of intercultural dialogue within and among societies. Since organizing the Round Table on "Dialogue among Civilizations" in New York on the eve of the Millennium Assembly, UNESCO has encouraged reflection and exchange between different cultures as a way to deepen understanding of how civilizations grow and develop. Intercultural contacts, in fact, have long been vital for human development but today there is an added urgency since dialogue among civilizations is increasingly seen as a way to cultivate peaceful relations in our globalizing world. Recently, in early July 2003, UNESCO and the Government of India organized an international conference on "Dialogue among Civilizations – Quest for New Perspectives" in New Delhi. At the conclusion of this meeting, the participants adopted the New Delhi Declaration. It stated that the time had now come to put the principles of dialogue into practice and to take concrete steps that would help to create equitable, inclusive societies at peace with their neighbours. This is clearly an agenda relevant to an age of globalization.

Turning now to the third strand of UNESCO's strategic approach to globalization – promoting knowledge-sharing – emphasis needs to be placed on both the challenges and opportunities presented by the rapid development of new ICTs. UNESCO's task is to promote empowerment and participation in the emerging knowledge societies through equitable access, capacity-building and the exchange and diffusion of knowledge. To this end, much of UNESCO's recent work has focused on the preparation process leading up to the World Summit on the Information Society (WSIS), which will meet in Geneva in December 2003 and then in Tunis in 2005.

Our engagement with this preparation process has involved a consistent effort to encourage the inclusion of non-technological and non-infrastructure dimensions of the ICT revolution in the conceptualization of the WSIS agenda. We have stressed the social, cultural, linguistic and institutional aspects of the debate, with a special emphasis on equitable access and the pluralist idea of building "knowledge societies" rather than a single uniform "information society". In our contributions to the WSIS preparatory process, we have emphasized the following four principles: the basic human right of freedom of expression, which must apply to the Internet as it does to traditional media; cultural diversity, including the promotion of multilingualism on the Internet; universal access to education, including education for both the utilization of ICTs and the use of ICTs themselves in accessing education; and universal

I. INTRODUCTION

access to information, which is important for good governance and development. These principles, in fact, not only inform UNESCO's engagement with the World Summit but also suffuse its overall response to the challenges of globalization.

UNESCO is acutely aware that, more than ever at the beginning of the twenty-first century, decision-making and policy-making need to be fully informed as to their scientific underpinnings, social consequences and ethical implications, drawing on input from all disciplines and all relevant fields of knowledge. We are particularly conscious of the fact that the speed and character of scientific-technological advances require new approaches and tools.

UNESCO's commitment to addressing the challenges of globalization is stronger than ever. We recognize, of course, that to successfully shape globalization to the benefit of all will take time and perseverance. But, as United Nations Secretary-General Kofi Annan said, "unless globalization works for all, it will work for nobody". In other words, "globalization with a human face" is globalization with six billion faces!

Our programmes, policies and actions should be framed in terms of “responding to” globalization rather than “reacting against” it.

I. INTRODUCTION

SHINAKO TSUCHIYA

Shinako Tsuchiya was Parliamentary Secretary for Foreign Affairs of Japan from October 2002 to September 2003. She serves her second term as a member of the House of Representatives.

JAPAN'S VISION OF GLOBALIZATION IN WHICH ALL PEOPLE CAN SHARE THE BENEFITS

We face important issues as we make endeavors to achieve globalization that benefits all humankind. In recent years the rapid cross-border movement of people, goods, money, services and information that constitutes globalization has advanced dramatically on a vast scale, affecting politics, society, culture and many other aspects of our daily lives.

Globalization, on the one hand, has enriched our lives. On the other hand, however, we have seen an increase in international organized crime, such as the smuggling of people, weapons and drugs, and the spread of infectious diseases like Severe Acute Respiratory Syndrome (SARS) and the HIV/AIDS pandemic. Environment-related and other cross-border effects of globalization have also been spreading at a speed and on a scale that are unprecedented.

Such issues cannot be dealt with effectively by individual states, particularly as, at times, they are intricately intertwined with cross-national conflicts and hostilities. We should recognize that, while globalization may bring us benefits, it might also usher in problems that threaten our survival, lives and dignity. We should, therefore, seriously consider ways to pursue globalization in which all people can share the benefits. Such cross-national issues have been taken up by the United Nations University (UNU) and UNESCO, both United Nations bodies with sophisticated knowledge and understanding of the issues at stake. They play an important role in bringing such issues before the international community for discussion.

For example, in the area of cultural modernization through globalization UNESCO has emphasized the importance of protecting traditional arts and other intangible cultural assets. In 2001 it produced the First Declaration on World Intangible Heritage and has also proposed a Convention on Intangible Heritage Protection towards which discussions are underway. Japan has assisted in designating living national treasures and we have been pioneers in our commitment to the protection of traditional culture and arts. We have, therefore, been actively supporting UNESCO's efforts to safeguard intangible heritages.

The two organizations that have taken up these various issues, UNU and UNESCO, are holding this international conference to promote the mutual sharing of information and knowledge. And in the sense of heightening social recognition of such issues as globalization,

I believe it is truly meaningful. But such discussions will not, right away, solve the problems. Each individual must think about the benefits and drawbacks of globalization. Governments, international organizations, NGOs and private companies must come together and cooperate to actively try to resolve problems.

Rapid globalization is like a tidal wave. It causes fear among individuals and groups.

As I have mentioned before, globalization may threaten the life and dignity of each individual, and in dealing with this issue there is a need to focus on the needs of the individual and the community. This way of thinking is sometimes called the "idea of human security". Rapid globalization is like a tidal wave. It causes fear among individuals and groups that they may be engulfed and spreads great confusion, especially in the developing world. If each individual is to equally reap the benefits of globalization, we must utilize and capitalize on his or her rich potential and strengthen our efforts to focus on the individual.

Japan has been supporting the Commission on Human Security, co-chaired by Ms Sadako Ogata, the former UN High Commissioner for Refugees, and Professor Amartya Sen, Master of Trinity College, University of Cambridge. In addition, through the establishment of a Human Security Fund, Japan has been actively pursuing the resolution of such human security-related issues.

By giving a human face to globalization, Japan hopes to extend the common benefits of globalization to all, so that every individual may equally share in them. To that end, we seek to strengthen the foundations and fundamental values that underpin society in all cultures.

By giving a human face to globalization
Japan hopes to expand the common
benefits of globalization to all.

I. INTRODUCTION

YASUKO IKENOBO

Yasuko Ikenobo was the Parliamentary Secretary of Education, Culture, Sports, Science and Technology with the Ministry of Education, Culture, Sports, Science and Technology of Japan (MEXT) from January 2001 to September 2003. She is also a member of the Japanese House of Representatives.

GLOBALIZATION IN THE AREAS OF EDUCATION, SCIENCE, SPORTS AND CULTURE IN JAPAN

We are living in a society where, due to rapid technological development, especially in information and communication technologies, there are various changes taking place, not only in social and economic systems, but in our daily lives as well. News of events can be transmitted to the other side of the world instantly, and people's movements and activities increasingly cross national boundaries.

Through these changes we can learn from our own living room about lives and events in remote countries. We have a growing interest in different languages, societies, cultures and religions. We now have access to larger amounts of information and the experiences of others. Issues in different countries affect us as if they were close to home. And there is a growing awareness that countries need to co-operate in addressing issues that affect all humankind, such as those related to the environment. At the same time, globalization has produced negative impacts, such as Severe Acute Respiratory Syndrome (SARS), which recently affected different parts of the world, infectious mosquito-borne diseases and international crime.

Through promoting international co-operation in the fields of education, science and culture and communication, UNESCO seeks to contribute to world peace and security. At the same time, the United Nations University (UNU) is trying to resolve outstanding global issues such as international peace and the global environment through academic research and human resources development. It is truly significant that both organizations are staging this conference on globalization. I believe that this is a great opportunity for the host country, Japan and its Ministry of Education, Science, Sports and Culture, to send out a message to the rest of the world. In all areas of life and society, globalization is progressing very rapidly. We need to have a clear understanding of what is happening today and to co-operate locally to address globalization-related issues.

The ministry to which I belong organizes exchanges between students and researchers so as to promote international understanding and co-operation and to contribute to a sense of international community. We believe that in the globalized society it is essential to promote and educate

I. INTRODUCTION

in international understanding and foreign languages in order to empower our people with the capabilities they need to play an active role in the international community.

In terms of support to developing countries we are engaged in activities that include post-war rehabilitation and reconstruction – in Afghanistan and Iraq, for example. We work in co-operation with UNESCO, UNU and other international organizations and networks. We are also engaged in international support and co-operation activities, to which end we draw on the human resources and experience, which we have accumulated here in Japan.

We believe that in the globalized society it is essential to promote and educate in international understanding and foreign languages.

HANS VAN GINKEL

Rector, United Nations University (UNU)

Hans van Ginkel is the Rector of the United Nations University, Tokyo, and Under-Secretary-General of the United Nations (since September 1997). He was elected President of the International Association of Universities (IAU, Paris) in August 2000. He is the Vice-Chair of the Board of Trustees of the Asian Institute of Technology (AIT, Bangkok), Member of the Academia Europaea, Honorary Fellow of the Institute for Aerospace Survey and Earth Sciences (ITC, Enschede), and the former Rector of Utrecht University in the Netherlands. He serves as a member and officer in several professional associations and organizations. He holds a Ph.D. cum laude from Utrecht University (1979) and an Honorary Doctorate from Universitatea Babeş-Bolyai, Cluj, Romania (1997). His fields of interest are urban and regional development, population, housing studies, science policy, internationalization and university management. He has published widely in these areas, and has contributed extensively to the work of various international organizations.

MAPPING GLOBALIZATION

Our joint UNU/UNESCO International Conference on “Globalization with a Human Face – Benefitting All” is the second major international conference UNU and UNESCO have jointly organized to provide a forum for discussing ways to better deal with some of the great challenges of our times in the areas of international relations and development. Two years ago, we focused on the “Dialogue among Civilizations” as a means not only to improve the way decisions are made on the global level, but also to increase real understanding among individuals and the peoples of the world and to safeguard cultural diversity.

This time, our theme is “globalization” and, once again, we look beyond the world of international politics, big business and other global players to highlight how this major international phenomenon of globalization affects every one of us: rich and poor, policymakers, business people, civil society activists, and those who do not even consider themselves active participants in the new and ever-growing global networks of exchange and communication, but are affected by them nevertheless. And we seek to explore how we can improve our responses to the challenges that globalization presents us with today – again, I am referring here both to those of us with an active role in guiding the various processes associated with globalization and those who play a more passive role.

However, there are two crucial points that we need to bear in mind. The first point is the fact that globalization is not a new phenomenon, but that its characteristics have changed fundamentally over past decades. Sometimes it appears as if many are completely surprised by globalization, as though it had only been around for the last ten years or so. This is, of course, not the case. If you look at the painting by Vincent van Gogh, known in French as *La Courtisane*, it is quite clear that it represents a Japanese geisha. And even though Van Gogh is particularly well-known for his painting of sunflowers, he has also created a beautiful painting of cherry blossoms. *La Courtisane* dates from 1887, which indicates that there were already at that time many influences from around the world making themselves felt in Europe. Indeed, and it is not difficult to illustrate – even much earlier – European influences in the rest of the world.

The characteristics of globalization have changed fundamentally over past decades.

However, what we see today is a tremendous difference both in the scale and the pace of the globalization process, the principle difference being that the impacts of globalization are felt simultaneously at different places across the entire globe. It is this simultaneity that differentiates globalization as we experience it today from the foreign influences of earlier periods. Modern information and communications technology is the key to the present state of rapid and profound change. In the past, the exchange of ideas required our actual physical re-location, as direct communication could only be achieved at a single place and a single time. Instead, we can today interact with many different people in many different places around the world, simultaneously.

My second point is that we need to be very specific with regard to what we mean by “globalization”. One of the major errors made when discussing globalization today is that its meaning is often obscure, with different people using it to denote different processes, and with very different – and sometimes emotional – connotations. In this sense, trying to grapple with the concept of globalization becomes somewhat akin to a skirmish with a shadow. To overcome this state, which more often than not inhibits a factual and pragmatic discussion of globalization, we need to focus on the multi-dimensional character of globalization, or in other words to break it down into its constituent elements.

One such element of globalization is its geographical dimension, which is related to exploration, discovery and colonization – processes we are familiar with from history. Other major dimensions of globalization are the economic, the cultural, the social and the political. In discussions about globalization, each of these dimensions can be placed at center-stage either individually or in combination with one or more of the other dimensions.

However, at all times will we have to be aware that all these dimensions are linked, that none of them by itself alone constitutes what we call “globalization”. It is thus crucial to analyze in more detail which element of what dimension of globalization has what kind of consequences, and how these can be addressed to increase our understanding of the multiple linkages between the various dimensions of globalization, and what we need to do to make globalization work for all of humankind, to benefit all.

We need to be very specific with regard to what we mean by “globalization”.

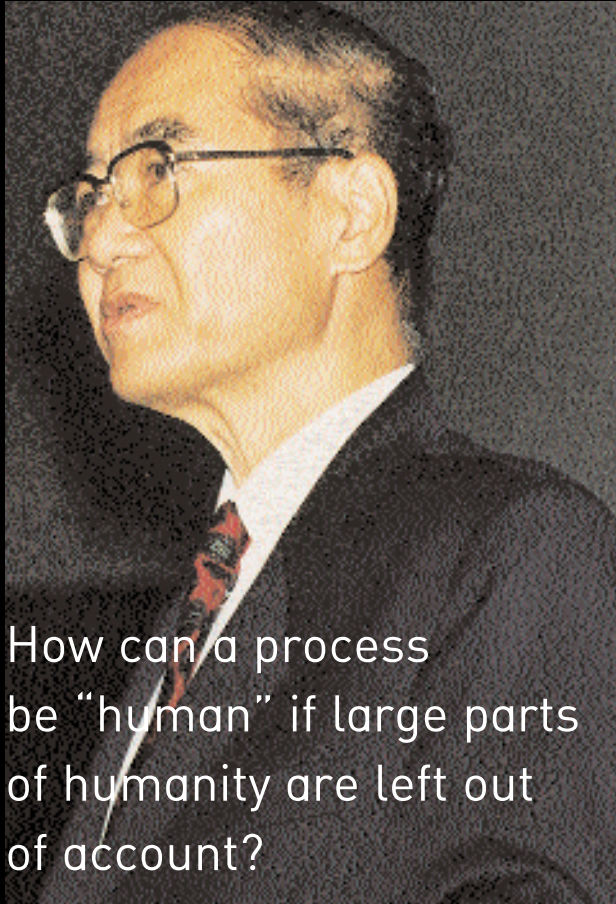


The opening of the UNESCO / UNU International Conference
GLOBALIZATION WITH A HUMAN FACE - Benefitting All on 30 July 2003 at
United Nations University in Tokyo.

The characteristics
of globalization have changed
fundamentally
over past decades.



HANS VAN GINKEL,
Rector, United Nations University (UNU)



How can a process be “human” if large parts of humanity are left out of account?

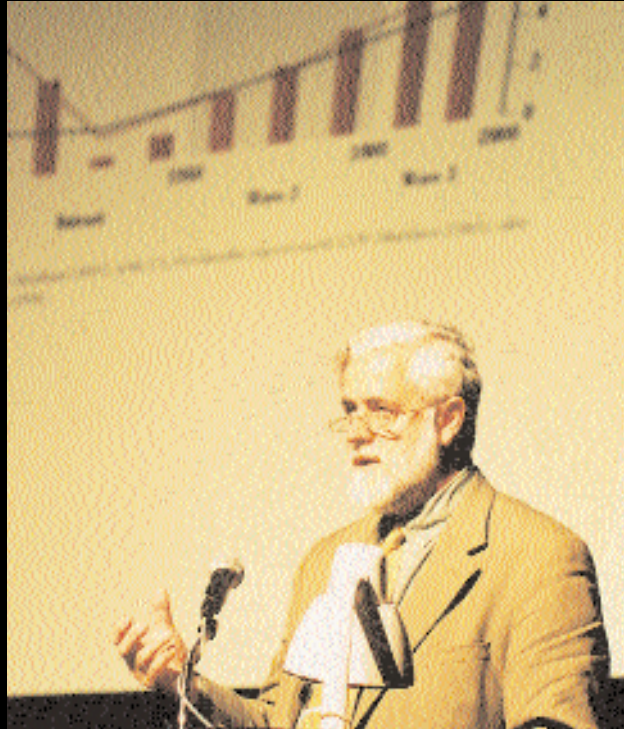
KOICHIRO MATSUURA,
Director-General, United Nations Educational,
Scientific and Cultural Organization (UNESCO)



YASUKO IKENOBO,
Parliamentary Secretary for Education,
Culture, Sports, Science and Technology, Japan

It is essential to promote and educate
in international understanding
and foreign languages.

EDUARDO ANINAT,
Former Deputy Managing Director,
International Monetary Fund (IMF)



If we are to become true members of the Global Village, how is each and every one of us prepared to contribute via public and private forms of organization to the required provision of critically needed public or collective goods and services?

Caring and sharing are probably easy enough to do. But daring to forego profits and royalties, daring to give to rather than take from the environment, and daring to make sacrifices for the common good may be more difficult.

FIDEL RAMOS,
Former President of the Philippines





Our programmes, policies and actions should be framed in terms of “responding to” globalization rather than “reacting against” it.

(from left to right)
 KOICHIRO MATSUURA, Director-General, United Nations Educational, Scientific and Cultural Organization (UNESCO), FIDEL RAMOS, Former President of the Philippines and MOEEN QURESHI, Former Prime Minister of Pakistan

Free financial markets do make a contribution to a favorable environment for foreign investment, but they alone cannot ensure it.

MOEEN QURESHI,
 Former Prime Minister of Pakistan



MOEEN QURESHI,
 Former Prime Minister of Pakistan and
 FIDEL RAMOS, Former President of
 the Philippines



ICTs have
a tremendous potential
to work for globalization
with a human face
by decentralizing
information exchanges,
transforming governance,
scaling education,
and delivering
public goods.



HANS D'ORVILLE,
Director, Bureau of Strategic Planning, UNESCO



SERGEY KAPITZA,
Academician and Vice-President,
Russian Academy of Natural Sciences

We are now passing through
the demographic revolution from
an information-moderated society
to an information-dominated,
global knowledge society.

II. GLOBALIZATION AND THE FORGOTTEN DIMENSIONS

PP.48-57

FIDEL RAMOS, former President of the Philippines

CARING, SHARING AND DARING - Making Globalization Work for All

PP.58-67

MOEEN QURESHI, former Prime Minister of Pakistan

GLOBALIZATION - Friend or Foe of the Developing World?

PP.68-79

EDUARDO ANINAT, former Deputy Managing Director, International Monetary Fund (IMF)

THE PROCESS OF GLOBALIZATION

FIDEL RAMOS

Former President of the Philippines (1992-98)

Past appointments also include Chief of Staff of the Armed Forces of the Philippines, and Secretary of National Defense during the Aquino administration. During his presidency he achieved substantial political and economic stability in the Philippines. Economic reforms included those aimed at attracting increased investment and addressing health, education and skills training, housing, environmental protection, agrarian reform, and other issues. Mr. Ramos is a graduate of the US West Point Military Academy, and holds an M.A. in engineering from the University of Illinois as well as an M.B.A. He also holds several honorary doctorates. He presently heads the Ramos Peace and Development (RPDEV) Foundation, and is Chairman of the Boao Forum for Asia (BFA). Current positions also include: Honorary Director, General Douglas MacArthur Foundation; Founding Member, Policy Advisory Commission, World Intellectual Property Organization (PAC-WIPO); Honorary Member, World Commission on Water for the 21st Century; Member, International Advisory Council, Asia House; Trustee, International Crisis Group (ICG); Member Advisory Group, University for Peace; Patron, Opportunity International (Phils.); Honorary Chairman, Yuchengco Center for East Asia, De La Salle University; Honorary President, Human Development Network (HDN) Philippines; Lifetime Honorary President, Christian Democrats International (CDI); and Chairman Emeritus, Lakas-Christian Muslim Democrats Political Party.

CARING, SHARING AND DARING - Making Globalization Work for All

Eight years ago, the Philippines acceded to the World Trade Organization (WTO). As President of the Philippines at the time, I had earlier signed into law the Philippine ratification of that international agreement. By that landmark act my country embraced the trade-related aspects of globalization. Today, with the benefit of hindsight, I ask myself, knowing what I know now, whether I would have taken the Philippines into the WTO just the same? My answer is yes, definitely yes. Nevertheless, we must now think back and determine globalization's hidden, and possibly damaging, dimensions, so that the world community can respond to them more responsibly and so secure a better future.

Politicians, economists, and security experts have dissected, debated and elaborated upon the nature, applications and effects of globalization. But regardless of their respective opinions and ideological inclinations, they plainly agree on one thing: that in the context of the realities and relationships of the twenty-first century, globalization is extremely complex. Similarly, almost everyone initially accepted the simple definition that globalization was merely the elimination of barriers to free trade and the removal of restrictions on the movement of capital in order to promote deeper integration of national economies into the global system.

NEGATIVE EFFECTS OF GLOBALIZATION

By that simpler definition, globalization could only bring benefits, not perils, for all. However, as practiced, it is far from being universally fair and beneficial. True, the globalized economy offers a bigger market for everyone, but that, too, is still largely theoretical. But I do not wish to denigrate what society has gained from globalization. The elimination of tariffs leads to increased trade, new technologies, foreign investment; to the expansion of media, access to knowledge, educational opportunities; to the generation of employment and more prosperous lives; to the improvement of health and life expectancy – all benefits that fuel economic growth and human advancement. The key question, however, is: are these benefits now enjoyed by greater numbers of people in the world, or by only an elitist, uncaring minority? Under a regime of increasingly open and liberal trade, the Philippines posted faster growth in terms of exports, averaging a 19.5 per cent increase annually during the period 1994-1997 – one of the fastest in our region despite the financial crisis of 1997-1998. Through its tariff reduction program, my country

kept pace with the target of limiting tariffs for most of its tradable goods to between 0 per cent and 5 per cent. Already, more than 85 per cent of the country's total tariff lines are within this target range. The Philippines adopted necessary measures to enhance its global competitiveness, increase and sustain its agricultural productivity, improve infrastructure for speedy movement of goods and services, foster pollution management and the sustainable development of natural resources, and accelerate science and technology efforts as part of our preparation for globalization. All this, the Philippines did in the name of globalization and international cooperation.

And yet, the poverty incidence in the Philippines was still 28.4 per cent in 2000. This means that in 2000, 26.5 million Filipinos, or almost one-third of the country's population, were living below the poverty line. Although successive Philippine administrations, including mine, helped reduce the poverty rate from its 1985 high of over 41 per cent to 30 per cent by 1998, the numbers today are still troubling. While the Philippine economy was considered the best performing in Southeast Asia in 2002 – after Vietnam – and the third best in all Asia, it still has more than 5 million people out of work.

These figures notwithstanding, the Philippines' economic fundamentals remain sound, and the country enjoys predictable stability, so ensuring steady prices, low inflation, adequate liquidity, and funding for development initiatives. The Philippines is committed to good governance and to the long-term structural reforms that foster strong domestic demand, diversification of trade, and a hospitable environment for investment.

POVERTY: THE INCREASING GAP

The poverty situation in the Philippines may be seen as a microcosm of what is happening among the developing and the least developed countries (LDCs) around the world. Statistics show that in the last 10 years of the twentieth century, the actual number of people living in poverty increased by several hundred million – at the least. Yet over the same period total world income actually increased by an average of 2.5 per cent annually. In stark terms, therefore, the poor have become poorer and the rich have become richer. A recent, and now famous, comparison is that Western European nations continue to subsidize their cows to the tune of US\$2.50 each, which is more than 2.5 times more than the less-than-one-dollar-a-day on which 1.2 billion people. Figures released by the United Nations Development Programme (UNDP) in its 2003 Human Development Report draw a similar picture of increasing poverty for a vast number of people in contrast to economic growth for a few. The plain truth is that a great majority of humankind is being deprived of their right to human security, the benefits of education, primary health services, decent housing, basic education and a gainful livelihood. Poverty is inextricably bound up with the other key issues of the environment, peace and development, and globalization.

Caring and sharing are probably easy enough to do. But daring to forego profits and royalties, daring to give to rather than take from the environment, and daring to make sacrifices for the common good may be more difficult.

WHERE ARE WE GOING WRONG?

In the competition for greater material wealth, most people have unquestioningly accepted a set of dictums, not realizing that one man's meat is another man's poison. Conventional wisdom and the conditions imposed on many countries have turned out to be excessively demanding and not relevant to the distressing situations that prevail in them. To an unprepared society, a liberalized policy may lead to a long-term net loss not only in income, but also in social costs. Liberalization has been a bitter pill, which backward countries had to swallow – only to discover, tragically that is not the cure they were looking for.

“Have-not” countries continue to be faced with problems in the implementation of their obligations under WTO agreement terms. Because of liberalization in the industrial, agricultural and services sectors, many developing countries are faced with the dislocation of their domestic sectors. The local companies supplying products and services are generally small or medium-sized enterprises, therefore unable to compete with larger multinationals or foreign companies that market cheaper imports.

Developed countries and the vested interests within them have campaigned for the globalization agenda over the years. They have pushed for open markets for their industrial goods in poor countries, while maintaining their own protectionist systems, especially for agricultural products. From the point of view of the have-nots, the current levels of protectionism in developed countries are scandalous. To protect their farming sectors OECD member states, for instance, reportedly spend over US\$350 billion every year – almost US\$1 billion each day. That is far more than the total US\$50 billion devoted to development assistance for poor countries.

In their mistaken belief that “one size fits all” and driven by their unrelenting focus on economic growth and financial stability, multilateral institutions and donor countries have

imposed conditions that it is beyond the capacity of poor countries to meet. On the other hand, in their desire to accelerate economic sufficiency and growth, many developing countries have embraced liberalization – little aware of its pitfalls and rules of the game definitely not in their favor. Their insufficient institutional capacities have been compounded by abusive or incompetent governance, a sheer lack of resources, or a combination of all these. The inequity and unfairness of it all have led to civil wars, insurgency, ethnic cleansing, violent crimes, strong-man regimes, international terrorism – a veritable eruption of threats to human security, neglected or overlooked in the quest for globalization.

HUMAN SECURITY

At the beginning of the twentieth century, people seemed to believe that the growth of economic interdependence, technological progress and social connectivity would bring about future decades of peace and security. Tragically, the twentieth century turned out to be one of the bloodiest in human experience.

The UNDP's 1993 *Human Development Report* states that "human security reflects a condition that recognizes the centrality of basic human rights, human capabilities, human development and their links to world peace and stability".

Human security means protecting people from critical and pervasive threats and situations. It means creating political, social, environmental, economic, cultural and public safety systems that together give people the building blocks for survival, livelihood and dignity in their hopes for a better quality of life. The twin goals of "peace and development" probably describe best mankind's immediate as well as long-term aspirations. On the other hand, a new dimension of development – human security – has emerged, as advocated by Sadako Ogata, former UN High Commissioner for Refugees, and Amartya Sen, Nobel prize winner for development economics. According to them, human security is concerned with safeguarding and expanding people's vital freedoms. It partakes both of protecting people from critical and pervasive threats and of empowering them to take charge of their own lives. Protection refers to the norms, policies and institutions that are essential for shielding people and require governments to exercise top-down vigilance, especially in ensuring the rule of law and democratic governance.

The "clash of civilizations" paradigm of Harvard professor Samuel Huntington has gained wide acceptance as a characterization of post-Cold War international relations, particularly in the wake of 9/11 and America's declaration of global war against terrorism.

INTERNATIONAL TERRORISM

But could civilization itself have exacerbated this state of affairs? A direct consequence of the “democratization of technology” has been to equip terrorists with a frighteningly sophisticated and powerful array of skills and weapons unimaginable a decade ago. The democratization of technology has scattered power away from governments and enabled fanatical individuals and groups of conspirators to play powerful roles in world politics, including that of inflicting massive destruction – a capability once reserved for governments and their armed forces.

To those forces transforming national societies we must now add the power of terrorism. Terrorism has privatized even war – as we can see from Osama bin Laden’s jihad against the whole of Western Christendom.

It no longer takes another superpower to pose a grave threat even to the American giant. The specter of asymmetric warfare, of which terrorism is its most visible aspect, will be with us for the next several years. We Filipinos have long been acquainted with terrorism. Our citizens were, in fact, among its first victims in the post-Cold War era. Islamist extremists have struck in many places in Mindanao and other parts of the Philippines. Local insurgents and separatists have apparently linked up with an extremist movement that is active in all the Muslim communities of Southeast Asia. It has a grand plan to unite parts of the Philippines, Malaysia and Indonesia into one Islamic state.

Islamic terrorists regard themselves as fighting to establish a global community of believers, which, as in the days of Arab glory more than a thousand years ago, would be governed by the Koran and ruled by a “successor” to the prophet Mohammed – a caliph who would possess both temporal and spiritual powers. Islamic fundamentalism, however, remains defensive and reactive. It may finally exhaust itself, since it lacks the intellectual resources capable of giving the Muslim peoples the civilizational vigor they need to compete on equal terms with the modern and secular west. To avert the *clash* of civilizations that some thinkers see as impending, world leaders are promoting a *dialogue* of civilizations encouraged by the United Nations and promoted by the ecumenism of Pope John Paul II.

Obviously, the dialogue of civilizations will be drawn-out and complicated. But I think it is tremendously important as a parallel mechanism to conventional diplomacy at a time when religious, cultural, and civilizational affiliations have all become potential and even active sources of global tension and conflict.

GLOBALIZATION AND CULTURE

The culture of globalization is also fanning the flames of discontent and anti-American resentment across the world. Globalization is associated with the spread of the less savory aspects of Western pop culture, like commercialism, consumerism and hedonism – a catalog of “isms” and drug abuse perceived in many quarters of the developing world as an assault on their traditional customs and values, particularly among Muslim communities, including in the Philippines. There are deeper cultural reasons for anti-American sentiments that are growing in some parts of the globe. Obviously, for much of the Third World, America has come to personify all the Western powers that created empires during the period of colonization, and whose influence on their developing societies has been so strong and disruptive over these last 500 years.

But anti-Americanism is also being driven by the fear that the world is being Americanized. Cultural globalization has hit some poor countries harder than economic globalization has done. Consider the situation of most Arab countries and of states like Pakistan. Compared to East Asia, they have yet to experience the rapid growth in trade and technology transfer that globalization has brought about.

But even in such countries, American customs and values – which are the dominant strains in the intrusive internationalist culture – are fast spreading, especially among young people, through the mass media and the Internet. Traditionalist peoples see these alien values and customs as threatening the conservative culture and lifestyles they want to preserve. This perception is stimulating a reactive kind of anti-foreignism, which is awakening a religious revival throughout the Muslim world.

In other places, like China and India, anti-Americanism stimulates rising middle-class nationalism. And – let’s face it – anti-Americanism is also facilitated by what the *New Yorker* magazine calls a “national appetite for global swaggering”. Cultural fears raised by McDonald’s ubiquitous outlets, pop music and CNN’s dominance of the air waves, plus recycled Hollywood movies – the global icons advertising America’s presence – do exaggerate America’s global influence. Cultural diversity has always been the hallmark of humankind. Every nation is marked – and made unique – by its own historical experience. Nonetheless, the constant dominance of the Western media and commercialism has widened, instead of reduced, the gaps between the rich and the poor.

THE ROLE OF THE WIPO

Let me now add a few words about other reforms to the free market system. As a founding member of the Policy Advisory Commission of the World Intellectual Property Organization (WIPO

PAC), I have strongly advocated that the rich and developed nations help reduce and eventually neutralize global terrorism by sharing their intellectual property – inventions, innovations, creations, research and development products – with the poor countries whose backward conditions provide breeding grounds for extremism, fanaticism, fatalism and criminal violence.

At the third WIPO PAC meeting in Geneva on October 11, 2001, I reiterated the importance of caring, sharing and daring among nations in pushing forward the frontiers of universal peace and development. Caring and sharing are probably easy enough to do. But daring to forego profits and royalties, daring to give to rather than take from the environment, and daring to make sacrifices for the common good may be more difficult. For instance, those discoveries and technologies which help improve health, prolong life, facilitate education, enhance the environment and reduce poverty should be swiftly and affordably transferred to have-not peoples, even though, as WIPO recognizes, it is important to protect and reward the innovations and inventions of creative people and institutions (who largely come from the affluent countries).

In my view, bridging the widening gaps in family income, health, security, environmental conditions, social mobility, job opportunities and material comforts among people around the world would significantly remove the root causes of insurgency, separatism, civil war and armed conflict.

IT IS NOT TOO LATE

Notwithstanding the hard lessons of the past, I believe the course most countries, including the Philippines, have taken was the right one. Globalization is here to stay, but there is much we can do to manage and refashion it into something that better serves humanity.

The interplay of the actors in globalization must be orchestrated so that all will aim not only for economic growth and financial stability but also for people empowerment in terms of equal access to opportunity, social mobility and human security in its widest sense. Governments must face up to their responsibility to function with transparency and efficiency, and strive for governance that combines economic development, environmental protection and social justice. Developing countries must reassess their liberalization policies and endeavor to strike a balance between the roles of the state and market and the needs of the poor. Mainstreaming trade into the wider development agenda of poverty reduction should be a central consideration.

In this regard, the Doha Round can truly become a “development round” if there is greater coherence and convergence of policies among international economic institutions, such as the WTO, World Bank, IMF, and the WIPO. Trade could be mainstreamed in the development agenda so that capacity building could be focused, targeted and achieved. It is also essential to

review special and differential treatment to make it more than just the time-phasing of commitments. Capacity-building and sufficient flexibility to pursue domestic development goals are equally essential.

Ultimately, the countries best able to take full advantage of globalization will be those that cultivate open societies and free economies.

Today, the challenge before our countries is to grasp the opportunities globalization presents, while working together to minimize our shared vulnerabilities to its risks. Ultimately, the countries best able to take full advantage of globalization will be those that cultivate open societies and free economies. In the world of the future, I expect the interplay between the market system and the state to even more intense and close than it has been so far. Every state will increasingly need to work within the framework of a global market in order to bring about the kinder world to which mankind aspires. The response mechanisms of the free market will probably be better suited to that end than the formal, legalistic and treaty-bound decisions of governments.

Functionally distinct components of each nation-state should link up more and more with their foreign counterparts to form a dense web of networks that will eventually make up a veritable transgovernmental order. Likewise, partnerships formed between government agencies and non-governmental organizations and civil society could deepen and broaden, so helping to bring about an equitable distribution of benefits for all. Democracy, too, will become part of the spirit of the coming age, and the structural reforms that states must undertake to keep their economies competitive will inevitably result in more effective democratic institutions.

In the Asia-Pacific region, globalization opens up tremendous possibilities for genuine integration and political/security cooperation, as the forces of modernization compel even once-isolated states like China, Vietnam, Myanmar and Laos, to conform more closely to international norms and practices in civil liberties and human rights.

SUMMING UP

Like the open market alongside it, true democracy could become the most compelling quality of the new age, as powerless people claim their right to take their place at the more bountiful table of the new global society. The empowerment of ordinary people should, therefore, be our highest priority and common vision.

Indeed, it is our unity, as a community of nations that cares, shares and dares for each other, that could bring us within easier reach of mankind's noblest goals. Civil society – the family, local groups, NGOs, the media, churches, etc. – has a vital role to play in assisting the state in its task of improving the conditions of each community and each citizen.

In sum, the international community must redouble its efforts to reshape the dimensions of globalization in order to make them more equitable and beneficial for all. They must be reconfigured towards a bias not only for reducing poverty but also for the enhancement of human security. Further inaction, indifference and complacency are not options. Otherwise, it may indeed be too late for humanity.

MOEEN QURESHI

Former Prime Minister of Pakistan

Moeen Qureshi is Chairman and Managing Partner of Emerging Markets Partnership, which serves as Principal Adviser to the American International Group (AIG) Infrastructure Fund. He was Prime Minister of Pakistan in 1993. From 1980 to 1991 he worked for the World Bank, first as Senior Vice President for Finance and Chief Financial Officer of the Bank from 1980-1987, and then as Senior Vice President for Operations, where he was in charge of all Bank operations during 1987-1991. Prior to that, Dr. Qureshi was at the International Finance Corporation as Vice President and second in command between 1974-77, and as Executive Vice President and Chief Operating Officer from 1977-81. He worked for the International Monetary Fund from 1958 until 1970, and served both at headquarters and in the field in a variety of senior economic and operations assignments before joining the International Finance Corporation. Dr. Qureshi holds a BA (Hons.) and MA (Economics) from the University of Punjab and a Ph.D. in economics from Indiana University.

GLOBALIZATION - Friend or Foe of the Developing World ?

As the world moved into the twenty-first century, globalization appeared to be the most important and challenging issue facing the world community. While continuing technological change is a historical fact, the pace and scope of change appeared breathtaking. At the turn of the century, most commentators and analysts were impressed with the promise and potential of globalization – the hope and expectation that it would bring about a rapid rise in the productivity and wealth of the global community, just as the industrial revolution had done over two centuries ago.

As in the period since the turn of the century, the sweeping impact of globalization cannot be questioned, serious doubts have begun to be expressed about the benefits of globalization, especially its impact on the poorer, weaker countries. In an editorial published in late December 1999, the *Financial Times* described the emerging debate in the following terms: “For its proponents, globalization describes a dream of opportunity and prosperity. For its opponents, it denotes a nightmare of greed and inequality”.

There is an array of forces behind globalization. The transformation of the political landscape following the end of the Cold War and the collapse of communism reinforced the case for free markets and liberal capitalism. Finance and trade could now move freely across national borders in response to market forces rather than as a consequence of ideological or national impulses. Clearly, the revolution in information technology has been a major force in integrating markets around the world especially for finance and trade.

In the initial stages, during the early and mid-1990s, the developing world benefited greatly from the larger flow of capital and goods from the capital-surplus, or industrialized, countries. However, the financial and economic crisis that hit Asia in the second half of 1997, before spreading more widely to the emerging markets in Latin America, Russia and Central Europe, raised serious questions about the benefits of unrestricted free-market capitalism and especially about unrestricted financial markets. It also raised within the developing world questions about the growth and power of multinational corporations and the extent to which their activities had contributed to the volatility in financial markets and the development of the economic crisis.

Following the Asian crisis, questions were also raised about the role and activities of the Bretton Woods institutions. The turmoil, which had started as a currency crisis in Thailand, quickly spread its contagion to other countries in Asia. Indonesia, which had been praised by the International Monetary Fund (IMF) for taking constructive steps to deal with its financial imbalances, was soon engulfed. As the crisis intensified, some highly respected economists claimed that the Bretton Woods institutions had become a part of the problem and not the solution.

There are five major areas in which globalization has made a dramatic impact over the last two decades: (i) financial markets and capital flows; (ii) trade; (iii) information technology; (iv) civil society and (v) demographic transition.

EMERGENCE OF GLOBAL FINANCIAL MARKETS

Globalization has made its greatest advances in bringing together the financial markets of the leading industrial countries in a global system. A large number of developing country financial markets are now also closely integrated, enabling them to tap into international capital markets and receive substantial capital flows. Net private capital flows reached their peak levels of well over \$200 billion in 1996, before retreating in the wake of the 1997 financial upheaval. Foreign direct investment was an important and growing component of these flows.

The phenomenal growth in the flow of foreign private capital to the developing economies was in part a reflection of their openness and, in part, a desire on the part of foreign investors to participate in their rapid economic growth. But, in the end, it proved to be a double-edged sword. Prior to the Asian crisis of 1997, certain problems and weaknesses in the financial system of the region's countries were widely known but they did not deter foreign investors. When the crisis came, it came very suddenly and was characterized by pronounced herd-like behavior on the part of the same investors. It seriously damaged the growth and economic progress of several Asian countries. While, for the most part, these countries are now recovering, the cost to them in terms of the setback in economic growth and in the welfare of their populations has been enormous.

Prime Minister Mahathir of Malaysia has spoken extensively about this crisis. He has argued that the capital flows today are so large and that "contagion" effects can be so rapid and so overwhelming, that countries with sound policies can still see much of their good work go down the drain. He is right when he says that small countries are particularly vulnerable to these types of economic disruption – that it is difficult to establish a level playing field when you have a fight between a giant and a midget. But it is also important to recognize that, to an important degree, Malaysia and some other East Asian countries had achieved their economic development and modernization by tapping into the vast resources of global capital and technology.

China and India were able to maintain relative stability in their economies and in their foreign exchange markets by maintaining comprehensive capital controls. While the International Monetary Fund had initially objected to such capital controls, it now accepts the need for proactive financial management and intervention by governments, especially during periods of crisis. Unfortunately, the debate has become polarized between those who seek to demonize free capital and currency markets and those who seem to portray them as a precondition for attracting foreign investment.

As always, the truth lies somewhere between these two extreme positions. While private capital flows to the developing countries increased dramatically during the 1990s, they were concentrated in a few countries, with China accounting for roughly one-fifth of flows to the developing world. Clearly, the existence of capital controls and other restrictions did not adversely affect the flow of foreign private capital into countries such as China. In contrast, some other countries in Africa and Asia with more liberal policies have been unable to attract any significant amounts of private capital.

The lesson to be learned from the experience of the last decade is that free financial markets do make a contribution to a favorable environment for foreign investment, but they alone cannot ensure it. The prospect of an attractive return on investment, the ability to repatriate profits and the existence of an effective legal system with due process and recourse to justice may be far more important in individual cases.

A NEW ORDER IN GLOBAL TRADE

The other major area in which great rewards from globalization have been foreseen is that of trade. Yet this is also the area in which there is a deep divide between those who support progressive trade liberalization and those who favor a more inward-looking approach. The proponents of globalization point to a dramatic increase in goods and services that has already occurred in the wake of globalization. During the 1990s, the volume of world exports grew by approximately six percent a year and those of the developing countries by nearly ten percent. Trade in services grew more rapidly than trade in goods. The most rapid increases were in exports from the East Asian region, although South Asia also showed noticeable progress in export orientation. Globalization has provided a new impetus for trade through the spread of international production and distribution networks. This allows even small developing countries to participate in the production process of complex products by producing parts, which are then assembled elsewhere.

While accepting that free trade can bring about benefits, the anti-globalists in the trade field – and they exist in both developed and developing countries – argue that it can also create

many losers. They point to what they term the “hypocrisy” of industrialized countries in seeking an open global trading system, while refusing to give up their large domestic agricultural subsidies or their prohibitive tariff and non-tariff barriers on a variety of manufactured imports from the developing world. They argue that the developed countries have built up their own industries behind high walls of protection and now threaten to swamp the infant industries of the developing world with a flood of branded goods produced by multinational corporations.

In the industrialized countries, the anti-globalists take an opposite and somewhat pseudo-moralistic stance on trade issues. They talk about the unfair competition from sweatshops, child labor in poor countries, and what they deem to be serious violations of human rights during the production process. Some industrialized countries have, in fact, enacted legislation that establishes rigorous labor standards and gives their executive branches the authority to impose sanctions in pursuit of a more progressive social agenda. These efforts, in most cases, have proved to be counter-productive. They have discouraged imports from poor countries and created further unemployment and distress.

In my view, the potential gains from liberalized trade for developing countries can be enormous and far outweigh any possible increase in development aid. In this connection, the creation of the World Trade Organization (WTO) was a landmark event in the development of a legal framework for the conduct of world trade. The WTO is clearly an institution, which deserves the support of the world community and especially of its weaker members. It has the mandate to liberalize world trade and to promote trade reform and transparent trade regimes to achieve that objective. From the standpoint of the developing countries, the WTO could be a powerful ally in seeking the removal of barriers to their imports, which now exist in most industrialized countries. The unwillingness of the industrialized countries to liberalize their trade has resulted in a proliferation of regional trade agreements. While the merits of regional trade arrangements are the subject of considerable debate, they can serve a useful purpose if they are genuinely planned as a transitional step towards a more liberal global trade arrangement.

Free financial markets do make
a contribution to a favorable environment
for foreign investment,
but they alone cannot ensure it.

THE KEY ROLE OF INFORMATION TECHNOLOGY

Nothing has contributed more to the swift march of globalization than the revolution in information technology. The Internet and the digital revolution is to globalization what the discovery of the steam engine was to the Industrial Revolution. The contribution of the information technology revolution to the growth in productivity is well-known. What is less appreciated is the extent to which the information revolution has converted the global community into a global village. It has made billions of poor people living in the squalid hovels and shanty towns of the developing world aware of a better lifestyle to which they can now aspire. It has also made the richer countries conscious of the environment of misery, despair and rage that frequently prevails in many poor countries, and which serves as a fertile breeding ground for conflict and terrorism. Even more importantly, it is the information revolution, more than anything else that has helped bring people together – both in the developing and developed worlds – in the pursuit of certain universal ideals such as human rights and democratic values. Not surprisingly, it has also caused, at times, a strong backlash stemming from a clash of traditions, cultures and religious beliefs.

THE GROWING VOICE OF CIVIL SOCIETY

One of the more intriguing aspects of globalization is the extent to which it has heightened the voice of civil society. Non-governmental organizations (NGOs) and similar interest groups and associations have gained enormous strength and influence in recent years. These organizations no longer seek merely to be represented. They want more direct participation in the decision-making processes of governments.

A part of the explanation for the resurgence of civil society is the extent to which the information revolution has enabled it to influence public opinion. By exposing such societal problems as environmental degradation, social injustice and the exploitation of workers and children, civil society has been able to mobilize public support for its objectives. In many ways, civil society has played an extremely constructive role in informing and educating citizens on social issues, thereby influencing the policies of governments and business corporations. However, there are also cases in which NGOs have exploited anti-establishment and anti-corporate sentiments in order to pursue causes that are highly controversial or responsive only to the interests of particular groups. A case in point is the effort by labor unions in some industrialized countries to press for the erection of barriers against imports from developing countries because of alleged abuses of human rights or non-conformity with the labor standards prevailing at home. Frequently, the result of these policies is not only higher costs for consumers in the industrialized countries, but also greater distress for the very poor. While developing countries need to support civil society in order to encourage the emergence of institutions that will nurture and protect the democratic

system, they need to be more cautious about those organization that seek to merely replicate the objectives and activities of civil society as it functions in the richer countries.

DEMOGRAPHIC DIMENSION

The one area where globalization has moved at a slow pace is that of demography. While the movement of capital, goods and services across borders has a good deal of political support, the migration of people across national frontiers does not. This is despite the clear evidence that in Europe and Japan the populations are aging and the labor force shrinking. If the present trend continues, there is some question as to whether the industrialized economies faced with such demographic trends can maintain their economic dynamism. It would obviously be a win-win situation for both industrialized countries and developing countries if the former were to reconsider their migration policies. However, given the strong prevailing prejudices on the issue of migration, it is impractical to believe that the industrialized countries will allow open migration in the foreseeable future.

There is currently a movement in some industrialized countries to encourage the import of skilled workers, especially in areas such as information technology. This could be mutually beneficial, but the case for liberalizing current migration policies to legally accept more unskilled workers is no less strong. These are the policies that helped the United States at the turn of the nineteenth century and in the early twentieth century to drive its own economic development. Over time they could also prove to be a powerful force in helping bridge the divide between the world's rich and the world's poor in the twenty-first century.

THE CORE ISSUE IS GOVERNANCE

A review of the debate on globalization demonstrates that it is currently mired in a sterile discussion of its virtues and its vices. Some proponents of globalization justify their support on the basis of its inevitability. However, the inevitability of globalization is only true in a technological sense. As in the case of the Industrial Revolution, we could have a process that brings about a pronounced increase in global economic and social welfare, with minimal downside effects, or we might be doomed to relive a scenario of deep unrelenting misery for many in the midst of riches for a few. Globalization does have its downsides, but they can be managed. The central issue is the quality of governance: governance at the global level, at the level of national governments, and at the level of multinational corporations and civil society. Once governments accept that there are problems, such as the preservation of the environment and the control of epidemics or terrorism, which no government, however powerful, can solve by itself, the way will be open for them to make common cause and tackle the dark side of globalization.

Dealing with the governance problems of globalization is not easy. In part, because there is a mismatch between the political and economic dimensions of globalization. In the post-Cold War world, capital and trade began to move across national borders fairly freely. Politics, however, still divided the world into sovereign national units. National governments could not monitor cross-border flows of people on their own, but they were not prepared to cede the right to monitor or regulate them to any supranational or global institution. Even in those cases where national governments have the ability to control the course of globalization within their economies, they frequently face a dilemma. Should they be responsive to short-term domestic political pressure for protection and subsidies? Or should they pursue a longer-term strategy of integration into the global economy, which typically generates domestic political criticism and social unrest?

At national and global levels this tension confronts all political leaders. It also explains the concern that other countries have about the somewhat unilateralist stance taken by the United States, as reflected in its decisions not to sign or ratify major internationally negotiated agreements. The United States has, in the past, been the leader in defining an architecture for global governance represented by the United Nations system. Now, in its position as the pre-eminent world power, it has the most influence and leverage in determining whether we shall continue to build on the existing multilateral architecture, or allow it to drift into irrelevance.

The Bretton Woods institutions have played an important role in managing the economic dimension of global governance. The concern about their role stems from the belief that their mandate and policies need to be updated to deal with a world that has changed dramatically since they were established. They have also come under criticism in dealing with financial crisis situations because they to have a "one size fits all" approach to dealing with situations that are, in fact, very different. During the Asian crisis of 1997, when massive exchange rate depreciation and high interest rates were putting a heavy burden on economic activities and on the average consumer, their recipe appeared to plunge the economies into even deeper recession.

Globalization does have its downsides,
but they can be managed.
The central issue is the quality
of governance.

The Bretton Woods institutions have played an important role over the last half-century in helping maintain financial stability and in supporting development, especially in the developing world. However, their architecture is somewhat outdated and their mandate and powers need to be broadened. They should also be made a part of a global financial architecture with the authority to deal with a whole range of financial transactions that currently do not fall within the jurisdiction of national regulators.

At the national level, the governments of developing countries should deal imaginatively with some of the potential adverse effects of globalization through the provision of social security safety nets and adjustment assistance. In the very poorest countries, institutions such as the World Bank and regional development banks also need to be more enterprising in facilitating the adjustment to globalization.

However, an even greater responsibility rests with the governments of industrialized countries who are likely to have much greater influence in creating a favorable environment for globalization. They need to recognize that improved living standards and strengthened political and economic governance in the developing countries have political and strategic benefits for everyone. They cannot continue to criticize the economic management of the developing countries, while pandering to their own domestic political constituencies with continuing subsidies for domestic agriculture and restrictions on imports from the world's poorest countries. Within their own borders Americans are the most generous people in the world, with a strong tradition of philanthropy. Yet the United States' foreign aid contributions, especially to the poorest countries, make it the least generous donor.

Finally, and most importantly, the industrialized countries must recognize that as long as large segments of the world live in poverty and despair – which can, at times, be accentuated by unregulated global markets and corporate behavior that is devoid of a sense of social responsibility – then there will continue to be deep resentment and the threat of violence and terrorism. The multinational corporations seem to attract the special venom of anti-globalists. While they are often unjustly attacked for sins that they have not committed – such as demonstrating a sense of cultural imperialism or running workplaces with appalling work conditions – it is true that many corporations have not yet established transparent processes to manage the social and environmental impact of their activities. A clear sense of social responsibility is not achieved by mere contributions to local charities. It requires more direct involvement in and greater support for the communities in which businesses work. Companies like Coca Cola, helping public authorities in Africa to deal with the HIV/AIDS crisis, or DaimlerChrysler and Newmont Mining, both actively involved in their local communities, are redefining the role of multilateral corporations as allies rather than the enemy in the campaign for social justice and environmental protection.

Civil society has an enormously important role to play in the future of globalization. However, civil society is not – as many young people would like to believe — “sugar and spice and all things nice”. There is a darker side to it which some have called the “uncivil society”. Global terrorism and the drug trade, for example, are dangerous expressions of certain criminal networks and their ability to do tremendous damage. The United Nations system, and especially UNESCO in the education and cultural fields, has already begun to work with NGOs in an attempt to integrate them into a legitimate system of governance. This, in my view, is the right home for civil society and United Nations agencies are the right partners. NGOs can join forces with them to achieve common objectives. Globalization will continue to move forward in the economic area – especially in the fields of trade and finance. The benefits to both industrialized and developing countries from developments such as the next round of trade talks after Doha can be quantified and therefore negotiated. Moreover, there are strong political constituencies anxious to bring about a successful conclusion to negotiations.

One has to be more fearful about the potential of globalization in stoking simmering resentments and a clash of cultures. There is an increasing tendency on the part of some Western countries to equate a modern, progressive society with the attributes of their own societies, such as civil rights, female emancipation, and a democratic system based on nationwide elections. There is little tolerance of deviations from the Western model. A Pakistani-born writer, Ziauddin Sardar, commented as follows: “It feels to many in the Third World that the rich world leaves no space. There is no alternative to its economics, its societies, its culture. For many societies who live in pre-modern ways, to come into the modern world is seen as asking them to commit cultural suicide”.

Western, particularly, American culture is seeping into the fabric of developing countries’ societies at an incredible rapid pace. Yet these societies cannot be expected to change overnight – nor is there any inherent merit in being an American or European clone. As John Lloyd wrote in the *Financial Times*: “If dialogue and partnership are to survive the immediate aftermath of September 11, the West will have to accept, at least for some time, that close global cooperation means the closer co-existence of alternative versions of society that do not look like any kind of version of a liberal polity, or Western conception of the good life”.

In short, the quality that is needed most in order to prevent globalization from becoming a source of cultural clash and strife will be tolerance – tolerance of those who have a different faith or culture which they do not wish to change. This will need to be accepted not merely as an intellectual proposition but as a practical guide to policy and action.

EDUARDO ANINAT

Former Deputy Managing Director, International Monetary Fund (IMF)

Eduardo Aninat is former Deputy Managing Director of the International Monetary Fund (IMF). Among other duties, he headed the work of the IMF for the Monterrey Summit on Financing for Development of the United Nations. Prior to joining the IMF, Dr. Aninat was Chile's Minister of Finance (1994-99) and served as Chairman of the Board of Governors of the IMF and the World Bank (1995-96). He was then a member of the Development Committee of the World Bank/IMF representing several countries in Latin America. He has served on the Commission on Macroeconomics and Health and is a Commissioner for the United Nations Development Programme's Committee on Private Sector and Development. Dr. Aninat was also the President of the Social Equity Forum (SEF) for the Inter-American Development Bank. He holds a Ph.D. in economics from Harvard University and has taught at several institutions, including Boston University. He is currently Professor and Economist-Consultant at Universidad Catolica de Chile.

THE PROCESS OF GLOBALIZATION

The term globalization has been widely used and abused over the last 12 to 15 years. It attracts actors and observers, arousing undue passion and shared fascination. There is, however, consensus on the critical importance of the impacts of and responses to the globalization process – be it in positive or negative terms – in three core areas: economic development, technological changes, and the poli-cultural set of issues.

One clear conclusion may be stated from the outset of this interpretative essay: both evidence from the past two decades and expectations arising from the more recent trends in the globalization process point to how decisively it determines the economic, social, and political lives of the overwhelming majority of countries around the globe. Hardly any community of organized citizens can pretend today to be isolated from the direct and indirect impacts of the process of globalization.

It is therefore somewhat surprising to realize that there have been relatively few comprehensive and scientific efforts at working out an acceptable definition of globalization as such. I have knowledge of the work of at least 20 reputable, internationally established centers of globalization in important capitals of the world. Yet, sadly, I have to say that none has come up with a rigorous definition of what we mean by the term. This will be the subject of my first section: the meaning of globalization.

We will then attempt to establish some reasons why this process has today become a critical factor in understanding how growth, patterns in standards of living, distributive effects and other key features of economic development have evolved. Let us say at this juncture that globalization is the most important factor influencing specific trajectories of progress in various aggregations of countries, both developed and underdeveloped – a process that is very different from past cycles of development. We shall dwell briefly on some of the links between technological changes and globalization. Last, we will describe a set of problems that the globalization process is generating in what I brand the “poli-cultural set”, before closing with some thoughts in the ethical domain, particularly as regards the Global Commons.

TOWARDS A CONCEPT OF GLOBALIZATION

Two sets of issues are relevant. The first originates from a historical perspective: approximately when in time did the globalization process emerge? Which areas of human endeavor dominate characterization of the process? The second consideration to stress is the

fact that, in habitual, everyday media or talks in corporations and similar private sector institutions, the use of the term globalization is equated either with internationalization, multi-national cross-border operations, foreign trade or foreign outsourcing of activities. None of these represent an adequate definition of globalization, even though they do contain one or more characteristics of the concept. What such partial approximations lack is a sense of the broad scope, of the many dimensions and the dynamism that we now know the globalization process embodies.

It would be pretentious of me to undertake here a full discussion of the historical origins of globalization. It would be an insult to academic historians to fix dates and epochs that are too early for a concept, which, at best, has less than two centuries of recognizable life span. Additional difficulties arise from the fact that the concept itself is extremely evolutionary in its nature. Let us therefore opt for a practical short cut. It is widely felt that globalization – being a rather old concept in its historical recognition by *hommes savants* – came forcefully to the international fore with the fall of the Berlin Wall and the beginnings of huge geopolitical upheaval in the former Soviet Union. To my taste, such calendarization is both relevant and practical enough to make it acceptable for our purposes. Why? Mainly because it bookmarks a fundamental aspect of the process: the increasingly plain fact that it has converged at an accelerating pace towards a common model for structural economic operation and growth – the postmodern, capitalist-market-dominated economy.

We can already draw one conclusion: it is very hard, although not impossible, to clearly separate the process of globalization from that of international convergence towards one common economic model. So, without too much explicitness, we arrive at some key elements that are of value in our attempt to define globalization:

- its broad scope or outreach
- its multidimensional nature
- its dynamism and the way it evolves
- its relatively recent date of birth, set in the broad human calendar tied closely (but not exclusively) to international domains
- its geopolitical significance
- its very strong economic content
- its association with new technologies.

I will close this section with a couple of attempts at definition, which apply in very distinct, but complementary, domains. As an intellectually abstract construct, I prefer to define globalization as a set of human organization partitions (time, space, social organization), which carry in them the energy to rapidly and simultaneously evolve towards both increased connectivity and growing divergences in particular areas such as ethics. We can also visualize this construct as a series

of vectors composed of forces from various human activities (commerce, art, language, economics, transportation), which interact (network) within a broad matrix of knowledge, whose borders are also diffuse and on the move. It is not easy to represent in two-dimensional space what I mean by this, but in any representation the elements characterizing movement (change) would have to dominate the picture.

The realization of living in one, common, global community – that, I believe, is truly the core foundation from which to start working firmly towards an ethical basis for tomorrow’s global world, for the benefit of humanity as a whole.

Working down now to a more applied, but limited, operational definition, I would approximate it as follows: Globalization is a highly dynamic process occurring mainly in the economic, financial, telecommunications and transportation spheres, and which has the capacity to affect almost every single important feature of organized societies (private and public spheres), and impacting very heavily in short time spans on the habitats of men and women round the globe. Although the conforming forces that have built up to generate this process are certainly very complex and profound, it should be pointed out that the dynamism of the process is heavily dominated by a great technological revolution that goes hand-in-hand with the phenomena referred to above.

More precisely, globalization can be understood as a process of marriage between three evolving areas into one joint wave of changes: those in the economic organization field, those on the technology front, and those in learning and education. In the next section we shall utilize the latter approach as a guiding concept in examining the factors calling for growth, development and progress in the standards of living of citizens around the world.

THE CHALLENGES OF GLOBALIZATION FOR ECONOMIC DEVELOPMENT AND CHANGE: SNAPSHOTS FROM DAILY LIVES

In my own estimate, as imperfect as it might be, more than one-third of present households will, in the near future (one, two years?), do their shopping easily and conveniently in the way set out in the following scenario. A person will stand before a fully automated teller machine that has a retractable electromechanical hand, a loudspeaker capable of some 30 languages, an optical sensor-scanner for the specific items bought or selected, and a screen connected by satellite to the computer monitor of the person's partner. The latter will be lying comfortably at home and able to watch (even comment on) the grocery list and prices that his/her partner is finalizing before bringing the groceries home. But, of course, that is just one partial view of the whole economic, organizational, financial set of transactions going on.

We have to add to this scenario the debit/credit process going on simultaneously in the bank account of the shopper and partner: the provision of electronic funds and clearances set in train in various bank accounts and locations across one or more countries, the ensuing items of sales revenues and margins entered and standardized in the profit-and-loss reports of the supermarket company managers and, after preset aggregation steps, the configuration and transmission of an extremely expedient set of purchasing orders to a set of optimized suppliers selected in a supply chain matrix.

Voice, desire, personal purchasing power, and a vast, preset (but highly flexible) inventory of goods will be the only really decisive factors dominating the transaction. And, given the sophistication we are driving through, even a number of these factors will have to be characterized by complex vectors filled with many options, thereby breaking rigidity and setting off more and more flexibility again and again, in loops of increasingly complex connectedness. Who knows?... It could feasibly be sooner than later that my wife might wish to impersonate me and, from home, send an oral message to the machine for some, or all, of the goods I have amassed at the speaking teller with its screen and mechanical hand. The loops and loops one could conceivably – but, alas, realistically – add to this case, or illustration, show us the expanding frontier that the globalization process these days implies.

We shall first add more examples from the positive realm before we cross over to the shadows and dark sides of globalization. The famous British Prime Minister, Harold MacMillan, was once reported as saying "most of our people have never had it so good". He expressed the sentiment in 1957, presumably with Western European citizens in mind. What would MacMillan say today, were he to compare the standard of living of the average Briton in 2003 with, say, 1956, 1966 or the year 2000? Reliable international statistics clearly show that the average citizen worldwide has expanded in real terms the quantity and quality

of most of the goods and services to which he/she has access, compared to the nineteenth, or early twentieth century, and even to the 1970s and 1980s. It is economic structural reforms and globalization forces that have driven the spectacular shift and rise in the productivity levels of capital and labor in very many places around the world.

I just want to provide one quick example here. An accurate measure of the value in real terms of the productivity achieved by one hour of work by an employed French worker grew from an index value of 5.5 in the year 1950 to 16.2 in year 1973, to 24.1 in 1990, and to 28.6 in 1998. To show the acceleration over the time span, let me point out that in 1700 the real productivity rate of the ancestor of the same worker from France was ten times less than what he was achieving in 1950. In my own country, Chile, the rate of growth of the Gross Domestic Product (GDP) was 6 per cent per annum in the period when globalization was unleashed in its almost full postmodern form, and that rate compares to only 3 per cent per year for the whole of the twentieth century as such. The rate of growth of per capita income went from nil in the 1980s to 4.5 per cent per annum during the 1990s as a whole, and, in spite of the sluggishness of recent world conditions, it continued to expand in 2001 to 2003. In a word, the total amount of goods and services generated by Chile almost doubled in the space of some twelve years (1987-1998). The United States experienced a similar process of unprecedented growth during most of the 1990s, including a few years with 4 per cent and 5 per cent growth rates. Europe accompanied the overall process of growth at reasonably high rates during most of the same period mentioned. East Asia, and particularly the newly industrialized East Asian tigers grew very fast up to about 1998-1999. Japan had witnessed its own period of immense development and growth during the 1950s to the 1970s and part of the 1980s.

Of course, globalization per se does not account for all of these economic growth examples. The important point is that they have been associated in some way or another with different positive aspects of the globalization process. In some countries, for example Chile, Spain, New Zealand, Australia, Portugal, South Korea, the new international environment in which globalization has unfolded has been a dominant accompanying factor in expansion and successful economic results. In others (Russia, China, India, Tanzania, Uganda, Brazil) the "political economy of globalization" has been, and continues to be, the yardstick for some important efforts at modernization and structural reform (change in trade regimes, fostering of technological changes via privatization, and copying more modern standards for money and banking).

Let me add an illustration in the trade area. We can construct time series for actual historical data in terms of trade indicators, GDP or real incomes for a vast array of countries (easily 100 or more) over any ten-year period. Take the broad span of 1955-1995, and you will most probably end up finding that, in these 10-year subsets, countries almost invariably

showed rates of expansion in international trade figures (exports, imports) that were higher on average than the corresponding rate for annual growth in output.

THE ROLE OF TECHNOLOGY AND MEDIA

The truth of the matter is that the matrix carrying the globalization bacteria (a rather positive one) has both made time implode and space shrink in huge proportions. So much so that nowadays corporations have to be run in real time across the world (the 24-hour clock) with multiple outsourcings through the supply chain, and a vast array of critical inputs obtained and serviced from very many locations cutting through many countries. We have learned to become interconnected, and so much the better. But the shrinkage of space and the implosion of time via telematics, digitalization, satellites and advanced chips and computers, do have costs. Very real ones, very tangible ones, and very important ones, if one listens carefully to national opinion surveys, to polls on expectations and happiness, to experienced focus groups – in sum, to public sentiment.

First, at a strategic level, there is the problem of national sovereignty and the realm of options and choices for the domestic political spectrum. We shall come to the more profound and complex aspects of this at the very end of this essay. But let me touch upon two difficulties for the political authorities of countries worldwide that spring from two challenges connected to the process of globalization.

When a young university student in Nagoya watches programs via the Internet or chats with counterparts on the west or east coast of the United States, he immediately becomes aware that the social-economical mobility factor which he will face on graduating is very different from that of his North American peers. It could take, say, 20 years for him to achieve a given position in a big corporation in Japan or East Asia. He has acquired skills similar to his US peers, yet chatting with those peers tells him that the skilled graduates of Caltech, UCLA, MIT or Columbia University will achieve a comparable position in half the time.

Frustrations may arise, demands over the public and private systems in Japan may escalate, and social and political consequences may get out of hand. It is a complex task, and perhaps, in the Dahrendorf sense, too long-term to be able to explain the structural differentials between labor markets in the United States and Japan, and the factors impacting on the mobility of skilled labor internationally.

If we are to become true members of The Global Village, how is each and every one of us prepared to contribute via public and private forms of organization to the required provision of critically needed public or collective goods and services?

The issue of skills training and education, as well as the characteristics of labor markets at home and abroad, internal and cross-border mobility, migration rules and other factors all have considerable concrete bearing on how the globalization process affects income distribution, in particular as it relates to functional shares in the distribution of national incomes. This is a challenging area. It raises a set of questions, which illustrate the difficulties: Firstly, given social mores, habits, cultural traits and evolving traditions, what optimal mix should specific developing countries, and others, aim at in order to balance the protection provided by legislation (social and unemployment insurance, relocation grants, minimum standards for work and pay, etc.) and the incentives to encourage internal and cross-border labor mobility in the very competitive world of globalization today? Secondly, will this mix need to change over time rapidly, given the productivity challenges and shocks that the globalization process involves? How fast? Using what criteria and which agents for change? Thirdly, is cross-border feedback on both sides making a difference to discussions about labor standards and the International Labour Organization's (ILO) international concept of decent working conditions? Has the phase of globalization we are living through impacted the notions of freedom of movement, security, and decent working conditions? Or is the political construct behind bodies of legislation another reality, completely removed from the technological-economic factors embodied in globalization and labor practices all over the world? Finally, what should tomorrow's focus be for labor unions, private employers and government officials sitting round tables negotiating wages and other issues? Witness very recent discussions in Italy, Germany and France. These are not easy questions at all. Although I do not have answers here, the questions illustrate the challenges in just one domain.

THE CONVERGENCE OF TAX RATES

As Professor Vito Tanzi and others have analyzed, the immense increase in international mobility of capital that has come with globalization and other factors of reform (capital

account liberalization being one) has drastically changed the practical methods any given national sovereignty can choose for structuring and levying taxes on domestic citizens, economic agents and business transactions. It is no longer possible for very large numbers of nation states to move too far away from prevailing rates and tax coverage definitions in, say, capital taxation, as is today widely practiced in the G7.

There has been a modern, but well-defined, tendency of relative convergence and standardization in tax levies on industrial and financial capital in order to keep within restricted band of common values. That was not the case in the 1960s or 70s. Let us cite, in this regard, the example of new tax convergence policies discussed and applied every year within the European Union.

Any particular average-sized or small sovereign state wishing today, for example, to deviate in, say, 1.5 standard deviations from the group's norm would certainly see a movement of its capital across its borders to neighboring, and other, countries. The risk would be of gradual but significant depletion of many forms of capital, thus affecting future growth levels and job creation.

Even more, we should add that we now see a trend for countries to remain within bands and to cluster into homogeneous subgroups of equalized rates and conditions for tax policies (see the similarities between Belgium, Netherlands, Germany and Austria). If we also add that most sovereign states in the world are gradually but inexorably bringing down their rates of custom duties, converging towards near single-figure levels, and adding a whole spectrum of bilateral and sub-regional treaties for freer trade at lowered common tariffs, we then also have to factor in this new constraint as another element in the shaping of fiscal revenue collection policies.

The result almost everywhere has been to implement more active legislation in the levying of indirect taxation, such as excises of various classes and Value Added Tax (VAT). Various, if not all, items of taxation have been homogenized – lowered in some cases – and standardized. This is fine from a purely theoretical tax discussion base. The relevant question for national and local fiscal authorities around the world is as follows: What is happening on the right-hand side of the equation for fiscal balance? Has there also arisen a trend of simplification, convergence, and standardization of fiscal expenditure demands out of the body politic in one or more of the sovereign states engaged actively in globalization? My answer is that there appears to be no such symmetrical or equivalent trend.

We are then left with a set of issues and problems that provoke tensions in the evolution of globalization, as we know it. Let me explain briefly. On the right hand side of the government budget equation we encounter a set of current capital expenditure needs. These reflect the historical

construct of the fiscal exercise accumulated over very many years of public discussions, plans, decisions and legislation. It also reflects the imperfect concretion of demands by the body politic, the parties and the parliaments, as well as the exercise of lobbying by very many distinct and active groups in society. The result is a certain yearly allocation for the provision of wages to public servants, financing of public services, transfers of very many sorts, and the provision of a set of so-called public or collective goods.

We have not observed any particular, dominant trends in the evolution or composition of these spending aggregates, which move in broad clusters of comparable countries across the world. There may be general discussions about the need to hold in check the total sizes of many categories and about how to keep them to historical ratios in relation to GDP or total tax collections. But no trend towards a world or regional pattern of standardization, simplification into a few items, or convergence in composition and scope is yet observable, and for very good reasons.

The problem has, in fact, become that when globalization forces enter the equation they bring changes that impact negatively and positively on consumers and savers in each state. The resulting pressure on public finances derives from demands for numerous specific forms of compensation for the changes experienced. Witness the debates over the control of a larger share of national public finance resources by local and regional levels of government. Witness the ever expanding desire for reallocation or resettlement subsidies and grants requested both by workers and small and medium-sized enterprises across the spectrum. Witness the added strain on government resources arising from additional border security due to the worsening problems of terrorism, money laundering, movements of refugees and displaced workers, and drug trafficking. Assess all these in the context of rising public infrastructure needs, which are needed for expanded trade, modernization and growth and which often have to be funded from public finances.

In principle, one could say that these pressures have added to the cyclical uncertainty and difficulties that we now observe in many countries trying to keep out of the red and increasing indebtedness, as they should (see Germany and Italy). Compounding these issues are the tensions arising from massive resource reallocation needs in the economies of poor and developing countries, which started the process from worse public finance bases or conditions.

The issue is as simple as this: As much as the globalization process benefits countries, as much they should be aware that at the public level it does not automatically fill public coffers. Countries need to build strong sovereignty in the area of public finances to be able to cope with their citizens' additional demands, often concentrated into short time spans.

CONSIDERATIONS FOR A GLOBAL CITIZENSHIP

This brings me to my last and perhaps most decisively important topic. It is the issue of who is responsible for the public good where old and new needs have been highlighted by the globalization process. Those needs must be met by some sort of collective international action in the Global Commons. To paraphrase MacLuhan, if we are to become true members of the Global Village, how is each and every one of us prepared to contribute via public and private forms of organization to the required provision of critically needed public or collective goods and services such as: Education for all citizens of the world; clean air; uncontaminated atmosphere; access to and provision of adequate clean water for mankind; stability (in the macro-economic, financial sense); eradication of hunger; timetable for the reduction of poverty levels – Millennium Development Goals (MDG); control and prevention of international terrorism, drug trafficking and money laundering; provision of public healthcare systems and the eradication or reduction of malaria, tuberculosis and HIV/AIDS; Official Development Assistance (ODA) and transfers to the worse-off countries to reduce their income gaps. I cannot enter into a detailed account of the above topics, but many have been well set out both in the MDG Declaration and the Monterey Consensus.

In this final part I follow the thoughts of recent thinkers who address the subject of globalization from the point of view of exclusion/inclusion and against the ethical background of globalization as human endeavor. I refer here to recent works by Ralf Dahrendorf, Peter Singer, and Amartya Sen, and speeches by Kofi Annan. Globalization produces much that is good, but it also brings old and new tensions. There is a whole background discussion amongst partisans and protesters, who adopt philosophical and ethical approaches to the subject rather than really exploring the economic background. There are series of conflicts and tensions between the need to harness, regulate and control for security, certainty and other reasons, and the need to allow active freedom to manifest itself in all necessary forms so as to liberate the new forces of the technological Prometheus contained in globalization. The process, as we like to call it, is just beginning.

My value judgment here is that we are facing a problem of global ethics and the need to improve organizational approaches to globalization. This escapes the purely national domain and the fragmented spheres of sub-regional and regional approaches, useful as they may be as partial building blocks. We need to move on now to a new stage of awareness.

Let me list the five areas where, in spite of good intentions and some progress, there are gaps in identification, design, goodwill, political application, and realistic and practical implementations.

WHERE IMPORTANT GAPS STILL EXIST AND AFFECT THE GLOBAL COMMONS

- 1.) De facto exclusion from minimum standards of living, from education, markets and trade for more than a billion poor people around the world
- 2.) Incomplete and imperfect international standards for migration
- 3.) Incomplete and unsatisfactory provision of international security
- 4.) Uncoordinated, fragmented and sometimes untimely and inefficient global efforts in ODA and the transfer of development resources to critical countries/areas
- 5.) Trends towards heavy concentration in the access to critical know-how levels in areas key to human security and development (pharmaceuticals)
- 6.) Gaps in global or internationalization awareness and related issues in many governments of developing countries
- 7.) Lack of a minimum, globally-shared and understood language or vocabulary that could lay the communications foundations for a true Global Village (with a culture and symbols of globalization). We need common, shared terms that mean the same for all when we assess and discuss key issues connected to the globalization process. How are we going to come to terms with highly specific challenges in, say, the environment, scientific education or cross-border issues, which rapidly evolve due to globalization, if we are not ready to devise and share a minimum set of common terms, definitions and protocols? A difficult but challenging area, which touches on the complexities of the postmodern communications process.

In addition to the seven points above, I would be tempted to add another requisite, or wish, deriving this time from the organization of public finances. Instead I simply mention in passing that many, or most, of the ethical, political and cultural answers to the points above will have important bearings on the long term arrangements which we, as an international community contending with various local realities, may devise over time in order to improve coordination and accountability in the relations between local, national and supranational governing bodies. As I illustrated earlier, this is a crucial challenge for the longer term. Let me come to a close with a quotation that illustrates briefly but powerfully what I mean by the poli-cultural set of issues I mentioned at the beginning. There are crucial distinctions to be made, as I have tried to represent and explain. They all essentially point to the ethics of the problem, so no simplistic technological, economic or organizational responses will suffice. The issue at stake is highly moral, in the sense of values and philosophical choices for mankind.

Let me quote, then, from Paul Singer's *One World*: "How well we come through the era of globalization (perhaps whether we come through it at all) will depend on how we respond ethically to the idea that we live in one world". The realization that we are living in one, common, global community – that is truly the core foundation from which to start working firmly towards an ethical basis for tomorrow's global world, for the benefit of humanity as a whole.

III. DRIVING FORCES OF GLOBALIZATION

PP.82-89

SEUNG-SOO HAN, Member of the National Assembly and former Minister, Republic of Korea,
President of the fifty-sixth session of the UN General Assembly

THE DRIVING AND DIVIDING FORCES OF GLOBALIZATION

PP.90-99

HANS D'ORVILLE, Director, Bureau of Strategic Planning, UNESCO

THE DIGITAL REVOLUTION REVISITED

PP.100-117

SERGEY KAPITZA, Academician and Vice-President, Russian Academy of Natural Sciences

THE DEMOGRAPHIC REVOLUTION AND DEVELOPMENT. Socio-economics in the Foreseeable Future

SEUNG-SOO HAN

Member of the National Assembly and former Minister, Republic of Korea,
President of the fifty-sixth session of the United Nations General Assembly

Seung-soo Han holds a B.A. in politics from Yonsei University, an M.P.A. from Seoul National University, and a Ph.D. in economics from the University of York. In 1988, he became a Member of the South Korean National Assembly, a position he has held continuously except for the period between 1992-1996. Dr. Han was President of the fifty-sixth Session of the United Nations General Assembly (2001-02). In the Republic of Korea, he served as Minister of Foreign Affairs and Trade (2001-02); Deputy Prime Minister and Minister of Finance and Economy (1996-97); Chief of Staff to the President (1994-95); Korean Ambassador to the United States (1993-94); and Minister of Trade and Industry (1988-90). Academic positions include: Professor of Economics, Seoul National University (1970-88); Research Officer, Department of Applied Economics, University of Cambridge and Emmanuel College, Cambridge, England (1968-70); and Lecturer and Fellow in Economics, University of York (1966-68). He was a Visiting Professor in the Department of International Relations at the University of Tokyo (1986-87) and Senior Fulbright Scholar in the Department of Economics at Harvard University (1985-86). Dr. Han is the recipient of several honorary degrees, and has published works such as *The "New" Theory of Economic Policy*, *The Theory of Economic Policy*, and *The Health of Nations*.

THE DRIVING AND DIVIDING FORCES OF GLOBALIZATION

The process of globalization has been in progress for some time, but became a defining feature of international relations toward the end of the last century. Revolutionary progress in transportation and communications technology has rendered national boundaries increasingly irrelevant for most economic, commercial and cultural purposes.

By the end of the twentieth century, global trade volumes had grown 50-fold, compared to 50 years previously, while the cost of a phone call from New York to London had been reduced to one two-hundredth of what it had been in 1950. Interdependence among nations, especially in the economic sphere, has been growing at an unprecedented rate. Globalization has been driven not only by rapid technological change in transport and communications, but also by drastic geopolitical and socioeconomic changes, such as the demise of the socialist doctrine after the collapse of the Soviet Union.

With the downfall of the doctrine of economic control and planning, the free market principle and system have now become the unchallenged platform adopted by the nations of the world. In the area of international trade and finance, the market principle implies free trade and liberalized capital market. Indeed the idea of free trade and the free movement of capital across national borders has rapidly become the norm of world economic activity.

Now that the East-West conflict has become historically passé, it can be easily said that, with a few exceptions such as Cuba and North Korea, the governing principle behind international order is basically non-ideological or, rather, market-friendly, compared with the period prior to the collapse of the Soviet Union a decade ago. It is instructive to recall that the pre-World War I international order was basically non-ideological. At that time, there was never any widespread feeling that two irreconcilable systems were locked in mortal struggle for the soul of mankind. All the major players were capitalist; even Imperial Russia was rapidly industrializing along capitalist lines. The global system was then, as now, "increasingly interdependent", to cite a hoary cliché.

It can also be argued that the nature of modern industry imposes a far higher degree of economic cooperation among the major capitalist countries than was the case 80 to 90 years ago. Before World War I, the ratio of trade volume to GNP was much lower than it is today in most of those countries. Moreover, trade in industrial parts and components was relatively modest.

The great capitalist powers sought to produce domestically everything that went into a given end-product, except for raw materials. Because of the fairly unsophisticated nature of manufactured goods by today's standards, this was a realistic, if not entirely rational, goal. Today, it would be impossible for most major industries in one country to survive without substantial inputs from other countries – which is to say that the international division of labor has advanced light-years since then. It should also be noted that not only has the division of labor advanced significantly at an inter-industry level, but intra-industry specialization has also become an important contributory factor to globalization.

The successful conclusion of multilateral trade negotiations under the aegis of the General Agreement on Tariffs and Trade (GATT) and the Uruguay Round, ultimately culminating in the creation of the World Trade Organization (WTO), contributed to furthering the globalization process. Compared with previous trade negotiations, the Uruguay Round was significant for the process of globalization, particularly in the developing countries. Until then, multilateral trade negotiations were mainly concerns of the developed countries. It was through the Uruguay Round that developing countries were required to improve their trade-related institutions and policies. Although developing countries were disappointed at the final outcome of the Uruguay Round negotiations, it was during this period that they further lowered their tariffs on manufactured goods and agreed to observe intellectual property rights more strictly in return for the abolition of quotas on textiles and clothing and more disciplined subsidy policies for the agricultural and other sectors on the part of developed countries. The average tariff rates of developing countries were halved from around 30 per cent in the early 1980s to 15 per cent in the late 1990s.

Relevant to this point has been the establishment and growth of international economic institutions such as the World Bank, the International Monetary Fund (IMF), the Organization of Economic Cooperation and Development (OECD), in addition to the above-mentioned WTO and GATT. Above all, of course, the United Nations (UN) itself, which, though broader in focus, is no less concerned with the economic factors conducive to war and peace. Nearly all of these institutions have come into being since the end of World War II. They set the rules of international trade and finance, serve as forums for negotiation and cooperation, and generally act to minimize unchecked economic competition getting dangerously out of hand.

One other major factor to hasten the globalization process has been the movement of economic integration that started in Europe soon after the Second World War. The European Union and its predecessors have made a great impact on the regional integration movement all over the world. The European Economic Community, which came into being with the Treaty of Rome in 1958, moved through customs union to economic union, resulting in the current European Union. Through the Maastricht Treaty in 1992, the sphere of integration that started with the economic area was broadened to include political and security areas. With the launching of

the common currency, the Euro, in 1999, European integration was further intensified in an important area. The successive harmonization of various systems and policies in the European Union has increasingly rendered inter-European borders irrelevant, contributing to the free flow of goods and services, capital and labor within Europe.

The lessons of the European experience increasingly convinced other regions that the benefits of integration, both economic and non-economic, were substantial. A number of regional integration arrangements began to appear in Asia, South, Central and North America, and in Africa. One consequence of their proliferation has been the acceleration of the globalization process.

In terms of the degree of integration, some arrangements are more pervasive than others, for example economic union versus free trade areas. But, on the whole, it cannot be denied that, however rudimentary they may be, they have continued to expand trade in goods and services, to globalize the capital flow, and to encourage the movement of labor. Seeking to emulate the successful European integration experience, Southeast Asian countries came together to found ASEAN. It has been active in regionally integrating member states in the economy and other spheres. Free trade areas such as MERCOSUR and NAFTA, formed respectively in 1991 and 1994, are further such examples. In the Asia-Pacific region, the forum that has contributed most prominently to the expansion of globalization is the Asia-Pacific Economic Cooperation (APEC). Formed in 1989 as an example of open regionalism, APEC was instrumental in mobilizing members to speed up the conclusion of the Uruguay Round. Although it was initially established as a very loose forum, it has been widening its area of activities.

Another area that has forced the pace of globalization in recent years is the rapid development of information and communications technology. The widespread use of the Internet and electronic means of communications, for example, has helped to swiftly globalize the capital market. The information technology revolution, which has spread rapidly through the world's major countries, has helped not only to create an economic cyberspace but also to shrink the world to a village in all areas of human activity. There is no need to elaborate on how evolution from manufacturing-based national economies to a post-industrial, knowledge-based economy has had major repercussions on the process of globalization, particularly in developed and rapidly developing countries. Easy access to broad bandwidth in some countries, providing links with a world beyond their borders, continues to be another significant factor in the rapid cross-border pollination of economic and social cultures.

Essentially, globalization is a byword for efficiency.

Unfortunately, however, globalization is proving to be a double-edged sword. While enhancing the well-being of mankind in general, the globalized world also poses serious challenges to nations and individuals. Although it appears self-evident that economic globalization brings benefits to humankind as a whole, it is becoming increasingly clear that the distribution of those benefits is not equal within or among nations. There are also non-economic factors stemming from the globalization process that cast a pall over its beneficial aspects.

The process of globalization, which is substantially changing interaction among nations today, has comprehensively affected the agenda of the UN. Many of the subjects discussed at the UN reflect such challenges. Minority groups, such as the aged and children, are the most seriously affected by some of globalization's side-effects. The issues of environmental protection, poverty eradication and HIV/AIDS have long been on the agenda of the UN. With the rapid development of information technology and worldwide use of the Internet, the digital divide has become a major national, as well as global, concern. International terrorism has surfaced as a crucial issue created by the process of globalization and one that must be most urgently addressed through closer, tighter international cooperation.

Indeed, the terrorist attack of September 11th, 2001, is very representative of the undesirable effects of globalization. September 11th, 2001, a date now remembered by everyone for very different reasons, was the day scheduled for the inauguration of the President of the 56th Session of the United Nations General Assembly. As evidenced in the case of September 11th, globalization has provided international terrorism with easy access to loopholes in our integrated systems. With terrorist organizations spread across countries' borders, national-level countermeasures have become much less effective. It is also easy now for international terrorists to find safe haven in failed states. Unless action is taken at a global level, it will be exceedingly difficult to defeat international terrorism.

The three months after September 11th were marked by the most extraordinary and busiest session in the history of the General Assembly. As a global body with a mandate to maintain peace and security, the UN was now tasked with a renewed sense of commitment to eradicating international terrorism. Less than three weeks after the September 11th attack, the General Assembly devoted one whole week of debate to formulating measures to eradicate international terrorism. Before September 11th, the United Nations' response to terrorism had, by and large, been sector-based in its approach. Incidents of terrorism in the past had led to the adoption of conventions to address the specific forms of those terrorist attacks. Over the years, twelve anti-terrorism conventions, each with its own subject, came into force. However, adopting a single comprehensive convention still remains under discussion. It is imperative that the United Nations adopt such a treaty to fill the gap arising from the ad hoc approach, for globalization has rendered national and sector-level control of international terrorism extremely difficult.

The UN has been in the forefront of efforts to find solutions to some of the negative by-products of globalization.

Another area where the negative effects of globalization are plain to see is information and communications technology (ICT). Although it has accelerated the globalization process all over the world, ICT has also caused deep divisions within and among nations. The enormous regional disparities in ICT capacity and access, the so-called "digital divide", continue to grow. For example, African Internet hosts as a share of the world total is steadily declining. While making up 12 per cent of the world's population, Africa accounts for only three-tenths of one per cent (0.3 per cent) of total global Internet content. The new technology is dividing old and young, rich and poor, and widening the gap between the haves and have-nots.

Essentially, globalization is a byword for efficiency. Efficiency is attained when market forces allocate resources without intervention. The so-called "Pareto Optimum" is attained in a world of perfect competition, except that in the real world there is no such thing as perfect competition. So we try to achieve second-best. Although there is a theoretical argument that second-best is not superior to third- or lower-bests in terms of the efficient allocation of resources, the real world usually regards second-best as better than lower-bests. Globalization is considered as the means to obtain second-best solutions for the efficient allocation of domestic and external resources.

The real concern with globalization is that it does not promote equity. One recent study on income distribution in South Korea found that it had markedly deteriorated after the Asian financial crisis of 1997 and 1998. The Gini coefficient of urban households jumped from 0.283 in 1997 to 0.316 in 1998 and 0.320 in 1999. It is well known that, to get over the crisis, Korea had to meet stringent conditions imposed by the International Monetary Fund (IMF), from whom it also took most of its policy advice. Its gist was more globalization, in other words, to completely liberalize the financial market and abide by globalized standards.

One might recall that there were two totally different alternatives for coping with the economic and financial turmoil that hit Asian economies. Korea adopted an open, liberal policy and successfully recovered. At about the same time, Malaysia followed a diametrically opposed, closed-door option. Ironically, it, too, recovered and rejoined the mainstream of the world economy. This leads us to wonder how we should deal with the international institutions that govern globalization.

The different policies adopted by Korea and Malaysia represent different schools of thought on the impact of globalization. Korea stands for the views of the "neo-liberals" who argue that globalization leads to higher levels of economic development, which will ultimately provide a sounder basis for political democracy and human rights, eliminating any possibility of conflict within and among nations. As for Malaysia, its choice reflected the ideas of the "structuralists", or "anti-liberals", who contend that globalization will intensify the penetration of trade and foreign capital, particularly in peripheral economies, leading to exploitation of human, capital and natural resources, and to further inequality of income and wealth within and among nations. The violent anti-globalization demonstrations in Seattle, Genoa and, more recently, in Evian echo in part this worry and concern.

At this critical juncture in world economic history, the beneficial impact of globalization in recent years should not be discounted. Yet the dividing forces of globalization, which so concern underprivileged nations and individuals, should be seriously addressed and national and international decisions taken to rectify globalized inequity. Only then can globalization be a force for good.

The UN has been in the forefront of efforts to find solutions to some of the negative by-products of globalization. The 56th Session of the United Nations General Assembly coincided with these efforts. The recent SARS epidemic graphically represents the negative aspects of globalization, while the threat of HIV/AIDS is also a focus of concern. The June 2001 Special Session of the UN on HIV/AIDS and the establishment of a Global Fund to fight this and other diseases are good examples of the UN's preoccupation with the negative sides of globalization.

In November 2001, the UN set up its Information and Communication Task Force to address the question of the digital divide. Living in an age of unprecedented convenience and prosperity brought about by the information technology revolution, it is acutely striking that the vast majority of the world's people, through no fault of their own, have been bypassed. Recognizing that the need to extend the benefits of ICT to all humanity is the foremost challenge of our age, the UN has begun to take active initiatives. It would indeed be a cruel irony if the world's newest technological revolution were to widen rather than to narrow the existing gap between the developed and developing countries.

In May 2002, the United Nations General Assembly held its Special Session on Children. The session had been one of the first major casualties of the tragic events of September 11th. The terrorist attack compelled the UN to postpone the original session, scheduled for September 2001. At the core of proceedings were issues of how to guarantee for children not only their right to survival, protection and development, but also a stake in the future of a globalized world.

The twenty-first century is witnessing an unprecedented demographic revolution as the numbers of older people rise dramatically along with their proportion in the population. Their skills, experience, knowledge and wisdom should be used to promote human capacity-building and sustained economic growth, which will benefit both the elderly and society at large, particularly in the knowledge-based economy. Aware that the ageing population will shape the world's future as much as globalization, the UN organized the World Assembly on Ageing in Madrid in April 2002.

On the eradication of poverty, the UN held its International Conference on Financing for Development in Monterrey, Mexico, in March 2002. The Monterrey Consensus recognizes that the UN has a special, central role to play in enhancing the coherence, governance and consistency of the international monetary, financial and trading systems. September 11th was a forcible reminder that development, peace and security are inseparable in the globalized world. Underdevelopment and extreme poverty are a breeding ground for violence, despair and international terrorism.

On environmental degradation, which continues to pose serious and alarming threats to the safety of our globalizing world, the UN organized the World Summit on Sustainable Development in Johannesburg, South Africa, in September 2002. It is very important not only to protect the environment, but also to prevent the reversal of the process of development, which might be termed "de-development".

More than any other international organization or government, the UN has been in the vanguard of endeavors to control the dividing forces of globalization. It will, of course, take the time and efforts of countless numbers of people within the UN and national governments to succeed in containing the spread of globalization's negative impacts. As the driving forces of globalization continue to intensify in parallel to the proliferation of market forces in international and national economic systems and policies, it is imperative that even greater efforts should be made to address the negative consequences of globalization as a dividing force.

HANS D'ORVILLE

Dr. Hans d'Orville has been Director of the Bureau of Strategic Planning at UNESCO, Paris since October 2000; prior to that he served from 1996-2000 as Director of the Information Technologies (IT) for Development Programme of the Bureau for Development Policy of the United Nations Development Programme (UNDP); since 1975 he has held various posts in the United Nations Secretariat and UNDP. These include Secretary of the UN Committee on Conferences and Senior Officer in the Office of the UNDP Administrator with responsibility for UNDP's Governing Council; between 1987 and 1995, Executive Coordinator of the InterAction Council of former Heads of State and Government; member of the Executive Committee of the Africa Leadership Forum; advisor to the Independent Commission of Population and Quality of Life and the Independent Commission on Forests and Sustainable Development. He is the author of numerous publications on the UN, general development and African issues and holds a Ph.D. and an M.A. in economics from the University of Konstanz, Germany.

THE DIGITAL REVOLUTION REVISITED

THE DIGITAL REVOLUTION AND THE CRASH OF THE “NEW ECONOMY”

When the so-called “new economy” crash-landed during the stock market meltdown of 2000-2002, many experts began to question the power of information and communications technologies (ICTs), if not the validity of the notion of *knowledge economies and societies* as vectors of economic growth and productivity in industrialized and developing countries alike. This article attempts to take stock of the impact of ICTs and their role, particularly in developing countries and in the quest to combat poverty and to promote development, roughly a decade after the digital revolution and its new tools and parameters appeared on the horizon of development practice and cooperation raising hopes and instilling a sense of panacea. I argue that after the sobering experience of the past two to three years, the global community now has a new opportunity to reassess the real potential of the *information or digital revolution* so as to ensure that a realistic basket of benefits and opportunities can be reaped and can transform societies into true knowledge societies.

To draw lessons, one has to start by analyzing the history of ICTs and their interaction with the overall globalization process. ICTs had become the conveyor belts of globalization, while information and knowledge were seen as a new production factor *sui generis* with particular characteristics. Information and knowledge cannot be depleted through use. Knowledge and information is still there, no matter how many thousands or millions of people access and process a particular piece of information. In a way, this concept is not particularly new or revolutionary, as it was formulated as early as 1813, when Thomas Jefferson wrote in a letter to Issac McPherson: “He who receives an idea from me, receives instruction himself without lessening mine; as he who lites his taper at mine, receives light without darkening me”. Information and knowledge are generic and pervasive in character and they basically permeate all societies. They are also pervasive, as they have an impact on all societal activities and sectors. Indeed, they have relevance for every societal activity. The physical location of any information and knowledge becomes rather irrelevant for its receipt, the delivery or the use, which can be secured through traditional media – like books, newspapers, radio, television, video - or through modern media, such as the PC, CDs, cell phones or the Internet.

Over the past decade, ICTs have gone through various phases of development, acquisition and use. While ICTs drove the globalization process, they were, in turn, also driven by a continued penetration of societies with ICTs and became embroiled in a relentless innovation process. One may even see it as a dialectical development: ICTs being at the heart and one of the key

drivers of globalization, are themselves being lifted and driven to higher levels of sophistication, performance and versatility through the very process of globalization they helped unleash and its demands and needs.

From a truly innovative and inventory phase, the IT markets moved to a speculative and euphoric stage, which became synonymous with the dot-com craze and hype where every societal activity, need or service was lifted to a digitized existence. To be sure, despite excesses, solid accomplishments could be secured in many areas, such as in information management and storage, in the broadening access to PCs and the Internet through the growth of telephone connectivity and introduction of multimedia community telecentres. However, many other areas of particular importance for developing countries were left unattended – for alleged want of economic viability and profitability - and did not induce technical innovations, such as the need to generate multi-lingual content or touch-screen technology enabling access by illiterates. In the late nineties, we then entered what Alan Greenspan called “the period of irrational exuberance” on the stock markets and its speculative bubbles around IT- and Internet-centered business models and ventures. The global burst of the IT bubble and the inevitable ‘crash’ of the stock markets ensued, leading to a correction of share levels in line with realized earning performance and realistic prospects and the failure of many companies, destroying billions of invested dollars in the process. While this was a major setback in itself, it also darkened the hoped - for injection of investments in development-relevant innovations even further.

Let us take a step back and examine whether ICTs have really brought about a revolution – akin to the *first industrial revolution*. The essence of the *first industrial revolution* was the substitution of human and animal power by machinery and automation. Not a single commodity was replaced, but production processes were revolutionized. The *second industrial revolution*, characterized by the ascendancy of ICTs and digital approaches and tools, has not only changed methods of production but also the products themselves. Suddenly, new innovative products, approaches, services and ideas emerged and were integrated in the economic process. Their dissemination and absorption was also much faster than was observed during the introduction of the printing press by Johannes Gutenberg in 1450, often labeled the very first information revolution.

THE GLOBAL IMPACT OF THE INFORMATION REVOLUTION

What is then the impact of information, knowledge and ICTs in the context of globalization and in their contribution to economic and social development? The growing global interdependence of economies and the linkages of financial and investment markets, benefiting from a virtually global application of the liberal model of deregulation, and the ensuing expansion of trade in goods and services – all this means that within a moment millions if not billions of dollars can be

transferred from London to Singapore, from Singapore to Tokyo and so on. This has given globalization a new dimension of time, space and speed.

This new reality brought about by globalization introduces a new dimension, interacting with five features expected to result from the *information revolution*: changing perceptions, decentralizing information exchanges and promoting networking, transforming governance, scaling education approaches and contributing to the Millennium Development Goals (MDGs).

CHANGING PERCEPTIONS

The *information revolution* changes our ways of perception. We become instantaneously aware and acquire knowledge of developments in the most remote corners of the world. Often described as the *CNN factor*, it is increasingly driven by the Internet and its multiplying sources of information. An adept browser and surfer of the Internet can obtain information on virtually any issue under the sun, often in excruciating detail. We find ourselves in a networked, global society, which has the potential to promote solidarity among peoples and among individuals and to foster the emergence of an economy based on sustainable development. ICTs can thus make a tremendous contribution to societal and economic development. The new media are expanding opportunities and choices, they are not substituting each other but they are enhancing and enriching each other. While technological layers converge, the media layers complement each other, as captured in *Riepl's law*: an established media channel will never be fully replaced or permanently substituted by technically more advanced media, rather it will be complemented and reinvented together with new channels.

DECENTRALIZING INFORMATION EXCHANGES AND PROMOTING NETWORKING

In the new information and knowledge society, we witness new structures, models, and transactional mechanisms, which are based on decentralized models of information exchange. *E-commerce* denotes this new reality for the commercial sphere, while *networking* is a new and effective modality of interaction and knowledge-sharing for the scientific community, non-governmental organizations (NGOs) and civil society at large. NGOs are no longer mere providers of goods and services as well as technical assistance, they are now also peddlers of information and advocacy, thereby defining and advancing an agenda of solidarity, an agenda of sustainable development and an agenda of societal development and progress.

TRANSFORMING GOVERNANCE

Equally evident is the impact on governance and the way governments interact with citizens. The hierarchical and closed model of governance prevailing in many parts of the world

is challenged by a bottom-up, interactive, transparent and accountable vision of governance: *e-government* or *e-governance* is looming. Drawing on digital opportunities, governments can be encouraged, forced or induced to reform the delivery of social or other services or communications with citizens. This has demonstrably led to empowerment of civil society, often benefiting women and young people, at community, district and national levels.

The “March of Follies” has imploded.
The *new economy* has run its course and
the music has stopped. Enormous hopes
and aspirations have been dashed –
as if the world economy had struck back.

SCALING EDUCATION

Until now, the efforts to diversify learning, teaching and acquisition of knowledge have been rather tepid on a worldwide scale, frequently restricted to university level and teacher training. There is a dearth of initiatives for the primary and secondary level and the reachout to those outside the educational system, which are the true societal challenges of our time. This is an area where we can and must expect more innovative initiatives and progress, and where industry – if for nothing else but its own self-interest - has to pay much more attention and devote more resources to educational solutions.

CONTRIBUTING TO THE MILLENNIUM DEVELOPMENT GOALS (MDGS), ESPECIALLY THE POVERTY MDG

The *Millennium Development Goals* (MDGs) represent the new global agenda. Adopted by the United Nations Millennium Summit in September 2000 as part of the *Millennium Declaration*, they are a set of focused, time-bound and measurable priority targets for the global community. MDG one calls for a halving of extreme poverty by 2015. While not captured in an MDG of its own, ICTs can help to empower poor communities and people in their efforts to escape the poverty trap by providing access to critical knowledge, information and best practices.

GLOBALIZATION AND THE IT-INDUCED *NEW ECONOMY* – A REALITY CHECK

How does the present global situation measure up against these parameters? In general, it is questionable whether globalization is, indeed, 'Benefiting All'. Both within and among societies and countries, considerable disparities persist – and the divides tend to intensify over time rather than to narrow, such as with respect to literacy, access to ICTs (the *digital divide*), access to water and so on. This occurs in spite of the high expectations thrust upon ICTs and knowledge-based approaches. Moreover, each citizen has become more dependent on developments outside its immediate political border or nation-state. In the wake of the liberalization of economies worldwide, traditional forms of economic activity, which are the basis of life for many, have come under pressure and are becoming often marginalized if not suppressed. Job security, the stability of social security systems and, in general, the welfare state are coming under stress, largely for budgetary stringency imposed by governments striving for reducing their budget deficits or keeping them within (voluntarily) agreed limits. At the same time, poor segments of society are becoming more excluded from societal development and participation, while cross-border mergers lead to an increasing concentration of business influence and power in a multinational context, leaving national governments incapable of reacting and dealing with them effectively. This is part of the 'dark side' of globalization's reality as against the vision of a globalization benefitting all.

When I was Director of UNDP's IT for Development Programme between 1995 and 2000, I identified some "gung-ho" predictions by its proponents for the emerging *new economy* in the globalizing world:

- The first one was, that in the information and knowledge would replace capital and energy as a prime driver, creating assets of a new kind.
- Secondly, the new economy would simultaneously secure low inflation and full employment, as it would account increasingly for larger shares of overall employment with higher wage levels than the rest of the economy.
- Thirdly, there would be no budget deficits and productivity and wages would go up.

What is the scorecard today? True, the IT sector has expanded, but not nearly at the rate predicted, which was to be twice the rate of the world economy. Only three years ago it was projected that Japan, by the year 2010, would be generating an ICT per Gross Domestic Product (GDP) ratio as large as that of the automobile sector. Clearly, this has been a false dream. Likewise, the ripple effect of software introduction and innovation on job creation in other industries remains open to question. The impact of ICT expansion on the labor market in terms of bringing about higher and higher wages is also to be taken with a grain of salt. How about the innovation cycle for new products which – for a brief period – had become shorter

than the market-life cycle of a product? Unquestionably, the innovation cycle has again lengthened since the dot-com crash. Remains Gordon Moore's Law "that computer power doubles every 18 months". Between 1946 and 2002, computer power has doubled almost one billion times, underlining the immense power, energy and dynamism associated with ICTs and their actual and potential applications.

ICTs have a tremendous potential to work for globalization with a human face by decentralizing information exchanges and promoting networking, transforming governance, scaling education, contributing to poverty reduction and delivering public goods.

Overall, I would argue that the swift *March of Follies* has imploded. The *new economy* has run its course. The music has stopped. Enormous paper-wealth has been destroyed. Hopes and aspirations have been dashed – as if the world economy had struck back. In the words of *New York Times* editorialist Paul Krugman who concluded in 2001: "Some of the happier tales of the new economy were only myths".

Yet there is one silver lining for development – and for making globalization benefit all. We witness today a growing trend of *outsourcing* (and thus in effect globalizing) production, software development, programming, customer support and online service jobs from industrialized to developing countries – largely due to lower wages and cost considerations - which is certainly an unqualified positive development from the development perspective and holds promise for poverty reduction and MDG one. Forrester Research, in a study in late 2002, predicted that 3.3 million services jobs in America would move to developing countries by 2015, about 500 000 of them in computer software and services. This represents also a chance for developing countries, with a reservoir of an educated workforce, to garner a significant share of foreign direct investment.

THE NEW CHALLENGES: DELIVERING PUBLIC GOODS THROUGH IT-BASED APPROACHES

How can we find a balanced and realistic approach to the role of ICTs under conditions of globalization, which should benefit all? I suggest that should begin by focusing on the ICT-based provision of the central global public goods, namely education. New *e-learning* and long-distance education initiatives and approaches should aim at offering learning opportunities to people outside the present educational systems, so as to enable them to acquire at least functional literacy and to impart them tools and knowledge for an improvement in the quality of their lives. To this end, we have to enhance the quality of education, broaden the educational content in multiple and local languages, not only in English. Virtual universities, digital libraries, open content initiatives – these catchwords show further directions in which we need to go. The development of appropriate and culturally and linguistically diverse content – relevant, understandable and accessible for the target users – is a central challenge. If one checks many e-learning courses offered online today, one can observe that many examples used to illustrate a learning process are culturally biased and limited. How should a user in Ghana approach the issue of marketing, if he gets an e-learning course with an example of selling a shampoo for dogs? And, finally, content needs to be accessible and affordable. Today's copyright regime threatens to withhold or limit important information from education and also scientific research. This must be addressed in future.

Science and education as public goods must be available to all, in all countries. To that end, networking and public content creation will play an increasingly important role. Telemedicine, based on the use of ICTs, is becoming critical in the combat of epidemics, such as Severe Acute Respiratory Syndrome (SARS) and other global deceases. UNESCO's Director-General Koïchiro Matsuura suggests: "All would gain if governments and other public service organizations identified and digitized their rich and diverse information stocks and made them available to all".

In culture, we observe a trend towards cultural uniformity and homogeneity. Yet, at the same time, thanks to ICTs, there is a perceptible trend towards strengthening diversity and, in particular, linguistic diversity. This area holds tremendous opportunities, as more and more cultures enter virtual spaces and appropriate technology to create, digitize and remodel local content. We should try to foster such developments to ensure true cultural *e-diversity*.

Digital heritage is another important area where we have to capture knowledge, history and the creations of various communities and peoples. We have to try to digitize it and also have to be aware that whatever is digitized has to be preserved in some way. The challenges are abounding and immense.

We also have to look at *managing the process of globalization through ethical approaches*. It is impossible to move towards globalization without ethical underpinnings, based on clear values, recognized universally among the peoples of the world. All converges in the following challenge: How can we impart the values, which we want the younger generation in particular to observe and apply?

UNESCO'S APPROACH OF BUILDING KNOWLEDGE SOCIETIES

UNESCO advocates the concept of creating *knowledge societies*. What are the characteristics of knowledge-based societies? Sometimes the notions of information and knowledge-based societies are mixed up, if not confused. I would define a knowledge society as a society, which *has the ability and capacity to generate and capture new knowledge and access, absorb, share and use effectively information, data, communication and best practices*.

UNESCO holds that, in addition to technological, infrastructural and economic forms of information, the dimensions of knowledge rooted in community, culture and social identity must equally be addressed. The use of ICTs must therefore be linked to the recognition that knowledge is the principal force of the social, political, cultural and institutional dimensions of development, founded on human rights. The plurality inherent in the concept of knowledge societies implies diversity, variety and openness to choice. Accordingly, UNESCO works for societies in which people can access and exchange quality information and ideas that are relevant to their life and development.

There are four principles that are essential for the development of knowledge societies:

- freedom of expression;
- equal access to education;
- universal access to information, especially in the public domain; and
- giving expression to cultural diversity.

To strengthen all countries and societies in such a transition is a task for decades to come. It will firstly include efforts to overcome the digital divide, which separates countries and societal groups. This divide runs between North and South, rich and poor, young and old, literate and illiterate, men and women, and urban and rural dwellers. Even if the physical divide regarding access to ICTs (such as telephones, PCs) is actually shrinking in some parts of the world, as recent research by the International Telecommunication Union and the World Bank suggests, this may not resolve the problem. "The real divide is not digital but social. There is a deep, longstanding social isolation that separates people from the rest of the world", formulated Charles Jones speaking about American low-income communities. It is true for underprivileged societal groups all over the world. We have to match such divides with

digital opportunities in many areas, which we see, with what we need in terms of multilateral and private partnerships and other approaches of a non-traditional manner with the ultimate goal of securing access, capacities, empowerment and participation.

What we need, altogether, in order to help developing countries reach this point, is a menu of one 'A' and several 'C's': 'A' stands for *awareness*, awareness that there is a sea-change happening around us and that everybody has to partake in this sea-change. The 'C's stand for *connectivity* to ensure access to telecommunications and PC hardware and software, *capacities* in terms of institutional and human capacities, *content* calling for culturally diversified content in various languages, but also in areas which are of relevance for development and poverty alleviation. We further have to promote *convergence* to ensure that old and new media can complement each other. Then the focus must be on *creativity* and innovation in order to design technical and social engineering solutions, which respond to the specific situations and needs of developing countries. *Community*-level interventions are particularly critical as is the provision and availability of *cash* and resources to ensure a large-scale pursuit and implementation of a digital opportunities agenda.

Let me reflect briefly on the cost of bringing about the digital revolution. It is not a 'zero sum game', but requires investment and substantial financial and physical support. Just one example from the wide IT range shall underline the enormity of the task. The example of Grameenphone in Bangladesh demonstrated that with an investment of US\$80 Million 100,000 cell phone subscribers could be reached, covering 250 villages with a population of 2000 people each. As Bangladesh has a population of 120 million people in 65,000 villages, a country-wide coverage would require an investment of US\$80 billion – one and a half times the amount of the entire annual global official development assistance. Mobilizing the resources for the *leapfrog* bill to the digital age will certainly be an enormous task and may require innovative approaches and instruments.

All these issues are inscribed on the agenda of the World Summit on the Information Society (WSIS), to be held in two parts in December 2003 in Geneva, Switzerland and in November 2005, in Tunis, Tunisia. The time has therefore come to translate the various concepts into realistic and sufficiently funded programs so as to get ICTs working in favor of the poorest segments of societies and to build truly inclusive knowledge societies worldwide.

As United Nations Secretary-General Kofi Annan put it: *Seizing the opportunities offered by the digital revolution is one of the most pressing challenges we face. Our efforts must be based on the real needs of those we are seeking to help.*

SERGEY KAPITZA

Academician and Vice-President, Russian Academy of Natural Sciences

Sergey Kapitza is currently Vice-Rector (Science) of the Russian New University. He holds Ph.D. (Physics) and D.Sc. degrees from the Joint Institute for Nuclear Research (Dubna). He was Senior Scientist and Head of Laboratory at the Institute for Physical Problems at the Russian Academy of Sciences (RAS) between 1953 and 1992, and has been Senior Scientist at the RAS Institute for Physical Problems since 1992. In 2002, he assumed the post of Vice-Rector (Science) of the Russian New University. Dr. Kapitza has also held academic posts at the Moscow Institute for Physics and Technology where he was Docent (1956-65) and Full Professor and Chair of Physics (1965-1998). He has also held numerous scientific offices, including Vice-President of the Committee of Soviet Scientists for Global Security, 1983-92; Vice-President of the Academy of Natural Sciences of Russia, 1990; President of the Physical Society of USSR, 1989-92; and Member of the World Commission on Culture and Development (since 1996). He is the author of numerous publications on science and public matters of science, holds several patents, and is the recipient of several science-related awards from organizations such as UNESCO and the Russian Academy.

THE DEMOGRAPHIC REVOLUTION AND DEVELOPMENT. Socio-economics in the Foreseeable Future

In discussing the development of humanity, it is best to first look at the global pattern of growth and development in the world, seen as a whole. This is all the more necessary as the world, both developed and developing, is now passing through a demographic transition. In this demanding period, best designated a demographic revolution, a new dimension has been found to expand our vision both in time and space. Only then can economic growth in a single country be related to the challenge of development seen as a whole. For, at present, we are passing through a rapid demographic transition to a stabilized world population of some 10 to 12 billion, which will set the scene for development in the foreseeable future.

Of all the global problems looming on our horizon, that of population growth comes first. It sets the scene for consideration of all the major issues of social and economic development, growth and security. A new way has to be found of dealing with these matters, which goes beyond the agenda set by demography and economics, sociology and anthropology. Mankind has to be seen throughout all history as a whole, as an evolving system. Without a broad vision of our past, it is impossible to understand the present predicament of mankind and the crisis now facing us in so many dimensions of life or to project our development in the future.

Recent research has shown that a solution could lie in working out a quantitative description of the growth of human numbers based on a mathematical model. In this way we choose an interdisciplinary approach to address total human experience right from its very beginnings.

The first to apply mathematical reasoning to social problems was probably Malthus. He proposed the population principle – that resources set limits to growth and hunger to the multiplication of people. His ideas have had a singular influence on economists, political scientists and moral philosophers for the last two hundred years. Recent interest in his legacy was aroused by reports to the Club of Rome suggesting on basis of global modeling that limits to growth were due to limits in resources. The present study refutes such Malthusian concepts and contends that, in an openly evolving and self-organizing system, internal processes

determine global population growth. Stated as the "population imperative", this principle applies to the entire development of mankind, whose growth was not initially limited by space or resources.

Growth and development will be described in statistical terms and causality in terms of probability. The fundamental ideas of Ilya Prigogine on the evolution and self-organization of open systems and the synergetics of Herman Haken were crucial for the whole effort. They have made it possible to treat the population problem as a non-linear study in complexity with basic concepts from physics, like scaling, self-similarity and chaos. The study of the development of the demographic system has thereby led to the phenomenological concept of a collective global interaction driving the synchronous growth of mankind.

This interaction is due to an exchange of generalized information acquired through development of a cultural nature. It leads to social inheritance and Lamarckian evolution, as opposed to genetically transmitted, biological, Darwinian evolution. Interaction, connected and transmitted mainly by language, is a fundamental feature of society as a manifestation of the human mind and consciousness. This overall phenomenological approach to human nature has to be reconciled with the concepts, results and ideas of history and economics, sociology and psychology in an advanced interdisciplinary study of the global population. In response, a new approach is suggested in developing an understanding of the human condition at the most critical moment in all mankind's history.

When the population of the world ceases to grow, the old will outnumber the young. The restructuring of the age pyramid – a rapid and profound transition to a stable global population – will inevitably lead to far-reaching changes in many aspects of life, including global security, social and economic behavior. In other words we are now passing through the demographic revolution from an information-moderated society to an information-dominated, global knowledge society. Finally, a new set of values will emerge in a world where numerical growth ceases to dominate our mentality.

MANKIND AS A SYSTEM

Mankind will be treated as a system, not broken down into countries or regions, as in the subdivisions of traditional anthropology and demography, history or economics. By extending the temporal dimension into the past back to the very origins of man, we shall consider the development of all humanity right from the beginning. This is a significant step, for only over a vast span of time and events is it possible to work out the laws determining the growth of human numbers. Probably for the first time, growth and development are to be considered in quantitative terms, for example in numbers of people as they change in the course of history.

From the very beginning a straightforward question should be asked. What does this broad approach, with an extensive time scale spanning millions of years and encompassing all the people who ever inhabited our planet really mean for each of us, for the town or country where we live? For do not local circumstances provide all that matters for explaining the facts of life? For many people, studies with such a broad sweep may seem out-of-place and irrelevant to what is happening here and now.

The answer is that all large-scale events of history and everything that has occurred in our past do matter for the life and well-being of every one of us today. The consequences are often subtle and indirect, and the profound messages of history are slow in coming. They are, nevertheless, full of meaning. They deal with connections between generations, values and the very sense of our existence. These signals from the past are most in demand at a time of crisis. Today, with the population of the world incessantly growing, with new people, things and ideas appearing and others fading away, vanishing into oblivion, changes are greater than ever – and they are happening faster than ever before.

The broad approach theory accounts for world demography, providing a description of the salient features of the growth and evolution of mankind. It describes, over the entire course of human development, a constant trend in the growth of human numbers that follows a self-similar pattern of growth, expressing the dynamic invariance of development. The inherent limits for growth are determined not by resources or space, but by the mechanism of growth and development, mutually determining the pace of history. A simple and self-consistent mathematical model describes this process. Herbert Simon has noted that “forty years of experience in modeling complex systems on computers, which every year have grown larger and faster, have taught us that brute force does not carry us along a royal road to understanding such systems... modeling, then, calls for some basic principles to manage this complexity”.

The decisive step was to identify the global population as a dynamic system, evolving by self-organization. What is remarkable is that growth, in the first approximation, depends only on the total number of people in the world. This is a striking result that not only simplifies the analysis and all mathematics, making the whole problem tractable, but also gives significant insight into what determines growth, the nature of interactions, and in addition statistically links growth and development. This is a crucial point and its resolution will provide us with a key to finally understanding the nature of the non-linear dynamics of the global population system, as well as the interactions driving our growth and self-organization. This dynamic model provides a phenomenological, macroscopic treatment and does not profess to explain in detail the processes leading to growth. Growth, in general terms, is the result of a co-operative interaction of all relevant forms of human activity. This interaction should be seen as the ultimate mechanism of growth. It includes food and housing, industry and transportation,

education and medicine, science and technology, armies and police, communication and mass media, religion and arts – the sum of all contributions to development.

INFORMATION TRANSFER AS SOCIAL INHERITANCE

Interaction is due to an exchange of information, propagated and multiplied by a chain reaction throughout humanity. The exchange of information is both vertical - between generations – and horizontal - synchronizing the large-scale features of our past, from the very appearance of tool-making man, homo habilis. Information transfer as social inheritance is peculiar to human beings. It is a new factor of growth, distinct from the genetically propagated information in all living and evolving creatures. To this interaction we owe the remarkable explosion in human numbers, far surpassing all other animals of comparable size and position in the food chain. The interaction is proportional to the square of the total number of people in the population system of the Earth. Any part of the global system that is separated from the main body of humankind will inevitably lag behind in its growth and development.

The model is justified not only by the extent to which the results of modeling correspond to the facts of life, but also by the fundamental principles of systemic growth. The concept of self-similar growth is an expression of systemic dynamics and is now applied to the description of global population growth. When depicting the overall process of development by an essentially non-linear model it should be kept in mind that it cannot be directly applied to local or regional growth, for we are dealing with a collective interaction. But the global process of development definitely does influence all of its parts by the connections and interactions implied in the model and at work in the world.

For more than a million years man was concerned with numerical growth. Growth on all counts – more children, more food, more space, more arms, more power in all dimensions of life. Now all this is changing.

The transformation of the effective time-scale is a significant result of the theory, a kinematic consequence of self-accelerated growth. The time-scale expands as we go into the past, corresponding to the intuitive insights of historians and anthropologists on past cycles. As we approach the present, the rates of both growth and development become faster and faster, finally culminating in the population explosion.

The explosion comes to an end with the demographic transition and the moment from which the change in time should be reckoned is established by this global population transition. By an accident of our history and calendar the high point of the transition is in the year 2000.

The model indicates that mankind is now rapidly passing through a critical period of the population transition. This is a veritable revolution, drastically changing our long-established pattern of growth and development. For more than a million years man was concerned with numerical growth. Growth on all counts – more children, more food, more space, more arms, more power in all dimensions of life. Now all this is changing. A fundamental change in the paradigm of growth is occurring, a change never experienced before. Some historians have pronounced the end of history. Today we are witnessing a much more profound transformation – a critical period compressed into a remarkably short time of global change.

The demographic revolution is an event of great significance. In the story of mankind it far surpasses the Neolithic revolution, and all others recorded in history, ranking in its importance only with the emergence of homo endowed with a mind and consciousness. Only anthropologists of the future will have a chance of really understanding the magnitude of the transition and assessing the change mankind is to experience in the future. They will have to wait only a hundred years to make their judgment, and not the million years, which have passed since the early stages of our origins.

This present period of rapid change is definitely responsible for much of the stress and strain of modern life and for the great disruption now upsetting the long-established patterns of social development. For as the numbers, the “hardware” of our world, change faster than social conditions, the global “software” has no time to keep up with the pressure of the environment and technological development. An outcome of the demographic revolution is that a new set of values is poised to emerge, expressing the change from quantitative growth to qualitative development. The nature of this imminent transformation is yet to be fully understood and its consequences assessed. Moreover, it is not obvious that, in a world where numerical growth is decoupled from development, whether humanity will take up the challenge of qualitative growth, or evolve into a pattern of slow development, stagnation and, finally, decay.

KNOWLEDGE - THE SOFTWARE OF OUR GLOBAL SYSTEM

Global development has, until now, been moderated by information; now it is to be dominated by it. The future of the post-industrial world will be determined not by the production of food or energy – by the hardware – but by the software of our global population system. It will not be the volume of production that matters, but the way its output is distributed. This is to happen in an economy of zero growth in human numbers, where older people predominate. These are the boundary conditions for the future. In this future the human capital of an educated society will, hopefully, lead to the establishment of norms of social capital. It will be determined more than ever by education and the attitudes and values propagated by the mass media.

The mass media, primarily television, has yet to recognize its responsibility for influencing social capital and taking culture seriously. At this point it is proper to inquire what could be the next step in the evolution of mankind. Up to the present the biology of the human race has not changed and has been determined by nature. Now that it is possible to intervene and moderate biology, the genetic make-up of mankind, humanity itself can be a conscious actor. It may well be that this factor will limit the extent of the model and, at the same time, indicate the agents for change which could ultimately determine a new dimension for the development of mankind. In this case we will step beyond the limits set by the model, as its premises will no longer be valid.

This study takes the demographic factor to be decisive. Until recently, the demographic approach to global problems was extensively blocked by certain parties and excluded from most international debate. Now this has changed. Because discussions on matters concerning our common future and the issues at stake excite great passion, it is most necessary to develop and foster interdisciplinary research, following different intellectual traditions. Mathematical modeling, which to some may seem abstract and detached, even mechanistic and inhuman, should be seen not only as a tool, but as a means for providing new metaphors and enlarging the scope of our thinking and vision. Methods developed in physics for describing the growth and evolution of open, evolving systems and of synergetics provide a common approach to the non-linear dynamics of complex systems. These methods are now instrumental in developing the theory of global population growth. It is to be hoped that these ideas may contribute to a theoretical basis for the analysis and projections of world population growth and the consequences it may have for sustainable development and global security.

If this mutual understanding between the “soft” and “hard” sciences is reached, new questions and departures can be suggested for the theorists in making their constructs less abstract and more meaningful for humanists. Here the quantitative data of demography have a special standing, as they are based on a universal measure for the growth and development of humankind. In the foreseeable future we can hardly expect to significantly influence and change

the overall pattern of growth. The sheer size of the world population and the speed of events make it difficult to imagine how the world community can have a major effect on the population imperative with a pronounced lack of global governance. On one hand, fundamental understanding of growth is still rather limited and definitive advice for action is hard to provide, apart from very general recommendations, which have led to the current demographic policies. Probably the most important issue is to ensure by any means the stability and security of the world-to-be as the prerequisite for resolving global problems.

On the other hand, in a world where globalization has become an imminent and dominant feature, the opposing trend of cultural diversification is manifest. This may be the major confrontation between the "hardware" of civilization and the "software" of culture, which has always been present throughout the growth and development of mankind. Today, in a world where the rate of numerical growth has reached its absolute maximum and mankind is at a decisive threshold in its development, these strains and inequities could result in major conflicts in the rapidly growing countries of the developing world.

If the model is to be supported by further research and the insight it provides is valid, then it may help to lead to greater understanding of the present state of affairs. It may offer a common frame of reference for anthropology and history, demography and sociology, for studies in human evolution and genetics. For economists it provides a universal and general framework for assessing our development. For doctors and politicians it may give an understanding of the sources of stress and tension in this transient period, so unique in human development. There are implications for both the individual and society in terms of personal and global security and stability.

The most important changes are due to the development of an information-dominated society, where culture, science and education become of central importance. Thus, at the later stage of the demographic revolution, the education industry may become the most significant sector of the knowledge-based society. These issues of demographic and socio-economic development should be our main concern in assessing the future of the world as it enters the twenty-first century and goes through the biggest, fastest crisis since the very beginning of the human story.

CHANGES IN THE POPULATION OF THE WORLD: THE OPEN MODEL AND THE POPULATION IMPERATIVE

Demographic indicators are messages for contemplation and action. Appropriate demographic policies should be defined and pursued as part of national, social and economic plans for development. Although, at present, most governments have such programs, their influence does not have a major effect on a global scale, for the inherent power of the demographic process

overrules them at a time of rapid change. Of special concern is the migration flow, so any studies of future developments should take into account the impact of immigration.

The success of the global population growth model and its general tallying with anthropological and historic data, both in population numbers and the cycles observed in our past, show how the human system has been developing over an immense period of time since its very beginning. The model is based on a phenomenological description of the growth of an interacting, open system – the global population. As a system, it is, in fact, both isolated and open, meaning that it can draw on the resources of the environment, of the outside world. No constraints and limits appear in the theory as far regards external resources, which, in economic theory, are termed open-access resources. As the whole population of the world is treated as a system, as a single object, the details and events are all averaged and mixed in the totality of the system. In other words, the whole approach is essentially statistical and cannot be expected to take account of details, however significant they may seem. Details are partial events which should be seen against the backdrop of the total picture, for the main point in developing the model is to limit the number of variables to one: the global population N . The quadratic interaction is the main growth factor and depends only on the total number of people, with no extra parameters appearing in the “short” equation. Limiting the number of variables to N , the global population, is essential. In this way one can get away with the “curse of complexity”.

Thus, as Herman Haken suggests in his synergetic approach, the model takes the global population as the dominant variable. This expresses the principle of the demographic imperative in the asymptotic behavior of complex systems in global population dynamics. On a semi-logarithmic plot it is seen that growth follows a hyperbolic curve, going off to infinity as it approaches year 2000, when an abrupt change in the pattern of growth takes place. In the framework of the model, the driving force leading to growth is global cooperative interaction, and the only resource limiting growth and development is really global information exchange. In fact, we shall see that throughout history humankind globally really had enough resources, whether space, food or energy. If, at any stage locally, resources became limited, then people moved to other places, spreading all over the globe and traditionally settling near great rivers. Famine certainly hit human populations all through history and, locally, food scarcities could lead to great loss of life. But, on a larger scale, mankind always carried on and has shown remarkable resilience and overall stability of growth throughout history up to the time of the population transition. The explanation suggested is that the quadratic law may be interpreted in terms of the transfer of information and communication as the basis of a statistical collective interaction.

The distribution and transfer of information from one generation to the next – knowledge and technology, customs and crafts, art and religion, and, finally, ideas and concepts of science – are peculiar to humans and human society and what makes us essentially different from all

other animals. For, at present, human beings outnumber by five orders of magnitude – 100,000 times – any other animal of comparable size and position in the food chain. It may be surmised that information transfer moderates, and is essential to, the growth and development of humankind, for the process of information propagation and exchange is cooperative and multiplicative. In this process education and training in all forms and varieties, including games, is a major part of human development.

Consider the very first steps of a human being, which are quite different from those of all other animals: the long childhood, first learning to speak and master language, being brought up, taught and educated in the making of a man, to use an old expression, and as a member of society. This now takes 20 to 30 years and is essential for every human being. Thus information is transmitted vertically between generations, establishing powerful links both with the past and contemporaries, links that are deeply entrenched in the personality of each member of society. Information is also transferred horizontally – in spaces of informational interaction.

Estimates of given periods in the past match the dates identified by historians and anthropologists, although the global populations of these bygone epochs are known only within an order of magnitude. An important concept is the compression of social development time. Long recognized by historians, the transformation of time in systemic development is explained in terms of the kinematics of self-similar hyperbolic growth, culminating in the global population explosion and now ending with the demographic transition.

THE DEMOGRAPHIC TRANSITION

It is now well established that all countries go through a maximum growth rate during demographic transition, followed by stabilization of the population. During the transition death and birth rates rapidly change, beginning with an initial decrease in the death rate. The consequent fall in the birth rate starts later, and is accompanied by economic development, an increase in the standard of living and the development of health services, initially leading to a longer life expectancy. Due to the interaction of these factors, the growth rate reaches its maximum value. Later, as a result of the decrease both in birth and death rates, which show the same limits after the transition, the resulting growth rate gradually approaches zero, as the population stabilizes.

The global transition period is remarkably short, spanning only 90 years. For any specific country migration may modify this idealized description, but globally emigration does not enter into the growth rate insofar as the population is limited to our planet. This sequence of events shows that the whole change is rapid and at no point is the population in any state of relative equilibrium. In fact, we are dealing with a non-equilibrium transition, centered on year 2000, and a veritable shock that could hardly happen faster. As a result of the transition, the population

ceases to grow and a marked change in the age distribution of the population develops. This is the last in the sequence of events, and it is a very significant transformation for a society to undergo.

This also makes it all the more difficult to identify the factors determining the passage through transition, although the educational and medical aspects are probably the most important socially and demographically in the growth and economic development of each country. A concomitant process is urbanization, with vast movements of rural population to towns. As the population of the world acts like a truly global community, undergoing a common transformation, transition in the developed and developing countries happens practically at the same time. The difference is a mere 50 years, showing that, in a fundamental way, these countries are not so different as is usually assumed, a significant point worth keeping in mind.

Global population transition takes a mere 90 years, and during this time – only one-fifty-thousandth of all our history – a fundamental change in the mode of the growth of humankind will happen. All through that time human numbers grow in a self-similar pattern, following a hyperbolic path of growth. A different image of the transition is seen if we refer to the number of people who will live through the population transition – some 10 billion. This is one-tenth of the hundred billion people who ever lived, which is the chance for a human being to be caught in this period of rapid change.

As the global demographic transition develops, a marked sharpening of the transition in developing countries takes place: the later the transition, the shorter its duration. The narrowing is due to the nonlinear interaction between countries, constituting the global population system. It also takes place in the largest countries – China and India. Sub-global in population size and bringing together regions at very different stages of development, these countries demonstrate the same synchronizing interaction in the collective way they experience the transition. The narrowing time-span is typical of interactive nonlinear dynamic systems and on its own indicates the existence of global interaction, introduced to explain global population growth – an interaction involving the exchange and propagation of information throughout the global system. In the case of the population transition period one sees how this interaction affects the demographic development of billions of people, fundamentally changing procreation in the largest communities in the world at very different stages of development and now passing through a decisive transformation.

DO RESOURCES LIMIT GROWTH?

The fact that the shortage of resources, other than that of generalized information, does not have any immediate limiting effect is a point that needs to be discussed, for it contradicts conventional Malthusian wisdom, as epitomized in the first report to the Club of Rome. At present,

the main limit is that of time, for the acceleration of growth cannot be sustained any longer. If the global population system had pursued its self-similar pattern of growth, as it did all through the ages, then our numbers would be eight billion and not six billion, as it is now. On the other hand, humankind in the future may still reach a stage of development where resources could limit our growth, although this stage is beyond the limits of modeling.

The distribution of the worldwide population is very far from uniform. If there were a general lack of resources, then the first reaction would be a much more uniform distribution of population than the one seen. If in the past there have been massive movements of people, migrations throughout the world at present involve less than 0.1 per cent of the global population in a year, a flow smaller in its order of magnitude than the annual increase in the global population. This can indicate that globally there are enough resources, and any local lack may be ascribed to war, disruptions of society and famine, often caused by local population explosions due to the demographic transition. Disparities in population distribution and resources are what matters, and it is here that most current economic, political and military problems appear. The main reason for migration is economic inequity, often amplified by demographic and ethnic factors and expressed by political pressures, which on many occasions may ultimately be resolved by military means. That is why the population explosion of the developing countries at present is a greater threat to global security than the perceived worldwide lack of resources.

In matters of food resources it is instructive to compare India and Argentina. The area of Argentina is but 30 per cent less than that of the subcontinent, but the population of India, now greater than one billion, a country with an ancient civilization, is 30 times greater than that of Argentina, where modern development began 200 years ago. But, as has been stated by experts, Argentina, with its great agricultural resources, could in principle feed the whole world. The self-similar pattern of the development of humankind definitely shows that there are enough resources globally not to limit population growth and be the Malthusian reason for the demographic transition.

DISTRIBUTION OF WEALTH IN THE GLOBAL SYSTEM

Distribution of wealth, like the ranking of towns, is usually measured for each country and is aptly described by a Pareto distribution – a generalized hyperbolic power law. These fractal power laws are typical of systems in great disequilibrium and are established by the recursive patterns of the processes at work in an evolving and growing dynamic system, so showing the degree of chaos in economics. In practical terms, it is best to indicate the ratio of the richest to the poorest parts of society as an indicator of the economic disparities in a society. These ratios show that in countries that have reached an advanced stage of development after demographic transition, like Germany and Japan, per capita annual income is both high and its distribution is more egalitarian. In the case of a rapidly developing county, like Brazil, distribution is very far from being egalitarian.

In the case of Russia, disparities are undoubtedly due to the economic and moral crisis, the social injustice of the uncontrolled market, political chaos and the miscarriage of democracy after the collapse of the Soviet Union. The disparities and injustices of the world are beyond the scope of the model, as all such differences are absorbed in the statistical approach.

On one hand, the remarkable rate of the growth and development of China and India unequivocally shows the validity of this approach for the largest countries. On the other hand, the high growth rate of the transition period in African countries, accompanied by wars and famines, mass movements of tribes and people, only show the universal character of the demographic transition in different economic, social and geographic environments. These countries are now all part of the global system and are caught in the transition, although they are much less socially and industrially developed than some other countries of the developing world. This mismatch of development and the demographic transition is beyond the terms of reference of this study, but it is a factor that should be taken into account in any detailed study of these issues. What we see is that the power of the demographic system's dynamics is greater than local, regional or temporal differences observed and that, coupled with global interaction, it leads to the synchronous development of the whole world. The demographic transition, which is really a global demographic revolution, is changing the behavior of countries in the most important function of any society – the way in which people multiply.

ECONOMIC GROWTH AND DEVELOPMENT AFTER THE DEMOGRAPHIC REVOLUTION

The significance of the model is that it equates the rate of growth to the development of the population system considered as a function of the global population (the square of the total number of people), the production function of the global economy. This is an essentially nonlinear function and is not what would be expected in an economic system, usually assumed, in the first approximation, to be linear and additive in the relatively slow process of growth of industry and agriculture. The non-linearity is ascribed to the part taken up by the general information interaction, operating in the global population system. The interaction is multiplicative and irreversible and is the dominant feature of the system in that it determines, or rather moderates, its growth. In other words, the contribution of the quadratic term is decisive in determining growth throughout our history and expresses the contribution of the informational component to the global production factor. This can be seen as the domination of the "software" of global development, the component that is associated with culture, science and all those factors like cooperation, communication, consciousness and memory in interpreting the meta-economic nature of the growth of mankind. The main software factor is the primacy of the collective processes in society that we owe to our highly developed brain, the main and peculiar characteristic of homo sapiens. In the post-transitional society, a factor of primary importance will be education, taking up more time

and effort than at any other period in the history of humankind, for lifelong education has now become a reality in developed countries. But neo-classical economic theory does not really take into account the “software” component in constructing models of development, being mainly occupied with an understanding of how the “hardware” – primarily industry and agriculture – works and generates wealth. Yet it appears that the fundamental reason for humankind’s development and growth is precisely the software component. Moreover, in some developments of modern economic theory, it is now acknowledged that in the non-equilibrium nature of growth software has to be taken into account.

One of the problems is how to deal with intellectual property, how this property is generated and how it is distributed and multiplied. The last point is the most difficult one, for information cannot be treated as an ordinary economic entity, a commodity that can be exchanged like any other product. Its multiplicative and irreversible nature, when propagated in a chain reaction, leads to difficulties with intellectual property in a market economy. The model suggests that information is not a minor component of macroeconomics but in the framework of metaeconomics, the controlling factor of growth. The universal nature of quadratic growth rate justifies this attitude. The following observation by Francis Fukuyama is of interest: “Failure to understand that the roots of economic behavior lie in the realm of consciousness and culture leads to the common mistake of attributing material causes to phenomena that are essentially ideal in nature”. In other words, it means that the interaction, described by quadratic growth, governs economic development in a non-equilibrium, irreversible, open system. It is of interest to discuss the long-term changes that can be expected in the world as it passes into a new stage of development after the transition. These possibilities have already been partially mentioned, but now it is time to sum up.

Both demography and modeling, using different methods, show that the population of the world is to rapidly stabilize at 10 to 12 billion, doubling the present six billion. In practical terms, all growth will have happened in the developing world by the end of the twenty-first century and will be accompanied by a drastic change in the age structure and a low total fertility rate (TFR). For a stable population this means 2.1 to 2.05 children for each woman. There are good reasons to expect that this ultimate state will be stable, although in the intervening years some large-scale migration and social disruption may yet occur.

The stabilization of the global population may be seen by some as the result of appropriate demographic policies. But these policies, conducted in tune with the natural trend of the demographic imperative, are but a part of the demographic transformation, or revolution. The transition from a biological pattern of Darwinian evolution to social, information-moderated explosive growth took a million years to develop. Now we have a mere 100 years to go through the last stage of this revolutionary transformation, when the global population will level off. The developed countries are already at this final stage and in recent developments one can discern the features of a future world with a stabilized population.

POSSIBILITIES FOR QUALITATIVE GROWTH AND DEVELOPMENT

In this world it seems that numerical growth, primarily expressed by population growth will no longer dominate. The connection between population growth and the square of the global population will cease to express development. In this case there are two alternatives: one is stagnation of development in a world of zero growth. The other is to find a new dimension for development and, with the quantitative growth of the past over, there are possibilities for qualitative growth and development. There is, at present, in developed countries a significant shift of the workforce from the production sector to services: health, education, science, and leisure. These new processes of development are accompanied by an internationalization of finance and technology. The rapid transfer of information and finance has become the principle feature of globalization, and the Internet and mass media are now the main instruments of change and influence.

Nevertheless, one has to keep in mind that the process of globalization began long ago. For example, science – fundamental science – was a global enterprise from its inception. Before that, the main religions, known as world religions, were global, just as languages were, by their common roots, a global phenomenon. So culture and knowledge were, within the capacity of past civilizations, practiced globally to an extent, which we usually do not recognize, overwhelmed as we are by recent developments. All this supports the principle idea of the informational nature of universal global interaction and provides the context for assessing the future. This future may well be an information-dominated society, rather than the information-moderated one of the past. Can this lead to a fundamental transition like the development of a new world-awareness, a greater global consciousness realized by a communication system like the Internet? Could it be argued that such a system might evolve and finally organize itself into a qualitatively new entity?

As a consequence of the very rate of transition, society is far from equilibrium. In such conditions, when there is no time to adjust the social infrastructure, growing disruption can be expected both at a personal level and in society at large. High divorce rates, crime and the collapse of long-established moral values may be traced to this rapid rate of change, which is also reflected in the disintegration of empires, the breakdown of governance, and the great multiplication of non-governmental organizations (NGOs) organizing themselves in pursuit of a new civil society. The crisis of the United Nations system, which has not evolved since its origin more than 50 years ago, may also be attributed to this transitory stage in world history. It may be simplistic to explain these facts of modern life in such terms, but transition should definitely be taken into account in projecting the global future towards a new social order.

In the foreseeable future armies will change. In countries that have passed through transition there are fewer demographic resources for conscription to man the huge armies of the recent past. On one hand, low growth rates and stagnant populations do not create conditions for the large-scale

conflicts of the recent past. On the other hand, science and high technology have changed the nature of weaponry in modern warfare. Could the mission of these new armed forces be the containment of peace, controlling migration, fighting organized crime and terrorism, rather than war and operations leading to territorial gains and a new world order? The last sources of a real large-scale conflict are countries passing through the demographic transition at its explosive stage. This could lead to conflicts, a "clash of civilizations". They should be resolved by dialogue, the software of politics, rather than by force.

The Rio 1992 and Johannesburg 2002 International Conferences put forward the concept of sustainable development. The idea of sustainability was mainly developed in the Brundtland Report and was formulated as "meeting the demands of the present without infringing the rights of the next generation in satisfying its demands". The concept of sustainability should be seen in connection with the demographic imperative. All history has unequivocally shown that the growth of population has had precedence over the environment. Mostly under economic pressure, people have moved, resettled and migrated to other parts of the world in search of space and resources.

We are now passing through
the demographic revolution from
an information-moderated society
to an information-dominated,
global knowledge society.

What really matters and creates disparities and misery is not a global lack of basic resources, but their distribution. In a stabilized world with a slowing down of development, a new ecological consciousness is emerging, outspoken in its criticism of consumerism. At the same time the developing world is experiencing rapid economic growth, urbanization, and growing regional tensions of wealth and poverty. It is hardly to be expected that these countries will follow the demands of sustainability as they are seen in the West, or change their pattern of development and energy use to spare the global environment.

This can hardly happen before they go through a phase of extensive development during the demographic transition to a stabilized population. For in the coming information and knowledge society a new set of values and priorities will develop. They will have a significant impact on our future, changing attitudes towards the environment, consumerism, population growth and control, and the quality of life.

Finally, in this world of the future more time than ever will be taken up by education, as is already happening in the developed world. In fact, the growing length of time devoted to education is a direct expression of the information crisis and indicates that humanity is definitely reaching the limits of its capacity to train and educate the next generation. What should be kept in mind is that, in the new world of a stabilized global population, there will be a lot of restructured time to resolve these problems of our own making and hopefully to manage them without a major catastrophe.

IV. GLOBALIZATION AND THE HUMAN CONDITION

PP.120-129

AKIRA KOJIMA, Senior Managing Director and Editor in Chief, Nihon Keizai Shimbun (NIKKEI), Japan

BUILDING TRUST - Overcoming the Clash of Globalizations

PP.130-137

JAN PRONK, Professor, Institute of Social Studies, The Hague, and former Minister of Development Cooperation, the Netherlands

GLOBALIZATION AS GLOBAL EXCLUSION

PP.138-144

HU DONGCHENG, Vice-Chancellor, Tsinghua University, China

EDUCATION AND GLOBALIZATION - Facilitating the Harmonious Development of Globalization and Diversification

AKIRA KOJIMA

Senior Managing Director and Editor in Chief,
Nihon Keizai Shimbun (NIKKEI), Japan

Akira Kojima is Senior Managing Director and Editor in Chief of NIKKEI (Nihon Keizai Shimbun). He is also Fujita Chair Professor at Keio University's Graduate School of Business and Commerce; Member of the Trilateral Commission; Councilor, Japan ASPEN Institute; and Advisor for the Cabinet Office of Judicial System Reform. Publications include: *The Changing Context of U.S.-Japan Relations* (with co-author Don Oberdorfer), 1998; *Japan in Transition--A Global Perspective* (Special Edition of the *Journal of Japanese Trade & Industry*), 2003; and *Development Theories Challenged by China and Other New Factors*, in the *Journal of Social Science*. Mr. Kojima is a recipient of the Japan Newspaper Publishers' Association Award (1978), Japan Press Club Award (1990), and the Vaughn-Ueda International Journalist Award (1989).

BUILDING TRUST - Overcoming the Clash of Globalizations

We have witnessed a truly fundamental geo-political and geo-economic transformation of the global community in the past decade or so. The upheaval took place against the historical background of the end of the Cold War. The global political, economic, social and psychological landscape has undergone changes, which raised expectations, and caused repercussion, some of which persist to this day. One of the most powerful driving forces behind those changes has been the ever-rising, transnational tide of information, capital, technologies and even people. The consequence is that we are now living in an ever more interdependent, intertwined world, often called "the global village". It is the result of the process dubbed "globalization", which has brought us not consensus, but confusion, even enmity and hostility. We see around us misunderstanding, distortion and, consequently, mistrust, which have become stumbling blocks to the necessary process of building a new global order and institutions.

Before examining the issues at stake in this first decade of the twenty-first century, let us look back at periods of historical transformation.

"It was the best of times,
It was the worst of times,
It was the age of wisdom,
It was the epoch of belief,
It was the epoch of incredulity,
It was the season of Light,
It was the season of Darkness,
It was the spring of hope,
It was the winter of despair,
We had everything before us,
We had nothing before us,
We were all going direct to Heaven,
We are all going direct the other way."

This is the opening passage from *A Tale of Two Cities* by Charles Dickens. Dickens wrote the novel in 1859, setting it against the background of the French Revolution. He wrote as if he had foreseen what would happen in the twentieth century and even in this, the first decade of the twenty-first century. The fall of the Berlin Wall in 1989 was the defining moment of the end of the

Cold War. It was followed by German unification in 1990 and the implosion of the Soviet Union in 1991. The end of the Cold War changed mindsets and produced a dramatic increase in the mobility of people, capital, information and technology across fast-receding national borders. After witnessing the collapse of the once-mighty superpower and its centrally planned system, countries everywhere – and that naturally included the former Eastern bloc allies – simply gave up Soviet command economics and rushed to embrace Western capitalism. There was a free-market domino effect. The new capitalist countries saw capitalism as the best system for increasing the wealth and prosperity of their people and countries. They changed their religion with great expectations.

The Cold War victors keenly felt the triumph of their system over the Soviet model. It created a sentiment of euphoria. In the United States, Francis Fukuyama's "end of history" thesis engendered a sense of satisfaction and complacency, while in Europe there was talk of the great unification as the new ideology, now that communism was dead.

AFTER SEATTLE

Yet the euphoria was swiftly challenged when reality took unexpected turns. In 1991, the very year of the implosion of the "evil empire", as United States President Reagan once dubbed the Soviet Union, the Gulf War broke out. We soon realized the harsh truth that war between states had given way to post-Cold War types of conflict, principally of a regional and ethnic nature. In 1993 Samuel Huntington warned of a "clash of civilizations" in his provocative, eponymous essay. Five years later in Europe, John Gray published his admonitory book, *False Dawn: The Delusions of Global Capitalism*. It argues that global laissez-faire is an American project that is, historically, the last stand of an Enlightenment fundamentalist regime which will lead to the false dawn of global capitalism and, by its very nature, deepening instability.

Away from academic debate, the real world and daily lives of people and businesses have fundamentally changed, shifting more and more towards globalization, a process that now seems irreversible. It is clearly becoming the mega-trend of the day. The ever-growing worldwide mobility of production factors has rendered obsolete traditional international trade theory textbooks, all of which assumed that production factors and national boundaries would remain rigid. Foreign Direct Investment (FDI), once regarded by the Soviet bloc as a dangerous Trojan horse sent by evil imperialists, is now a treasure-laden ship bringing in capital, technology and management know-how. One statistic stands as a symbol. The total accumulated balance of FDI until 1999 was just over US\$1 trillion. Yet, in 2000 alone, the flow of funds was over US\$1 trillion, a fraction more than the FDI aggregate in the whole of previous decades. With FDI on that scale and countries driving to introduce better market-oriented systems, the world economy is now experiencing a mega-division of labor, with new winners and losers.

And now we see the anti-globalization movement in action worldwide. A turning point for the globalization process came in December 1999, when violent protesters surrounded the World Trade Organization's ministerial-level meeting in Seattle. Ever since, few important international gatherings such as meetings of the International Monetary Fund (IMF) and the World Bank, G8 Summits or Davos meetings – have been held without serious demonstrations by anti-globalization protesters. In the wake of Seattle came Washington D.C., Prague, Quebec City and Geneva, all of which have come to stand as symbols of the emerging difficulties of the globalization process.

In January 2001, I attended the Davos Conference organized by the World Economic Forum (WEF). The conference venue was under very strict guard, with demonstrators under tight police control. Proceedings at the meeting were much influenced by the protest movement. Many non-governmental organizations (NGOs) had been invited and were given the chances to be heard. One symbolic incident was the unexpected distribution of a document entitled *Trade Initiative: The Future of the Multilateral Trade System*, the work of Arthur Dunkel and Peter Sutherland, both former GATT and WTO Director-Generals, and the then-incumbent WTO Director-General, Renato Ruggiero. It was an attempt to respond to anti-globalization protesters who tend to see the WTO and IMF as their prime targets. Dunkel, Sutherland and Ruggiero emphasized that they were meeting developing countries' aspirations and concerns and dealing with other human development challenges. The document concluded: "Our principal purpose in releasing this statement is to draw the attention of political and business leaders to the importance of maintaining and driving forward an effective multilateral trading system at a time when there appears to be a growing lack of understanding of the extraordinary benefits that the GATT and the WTO have brought to global growth and development. By expressing these views, we want to emphasize our full confidence in the WTO trading system and in the technical work under way in Geneva and world capitals. We have no doubt that the system can and will continue to deliver benefits to all participants in the future."

BROKEN PROMISES?

"Globalization [is now] a focal point of hostile passion and ... protests doomed to unending controversy ... As the twentieth century ended, capitalism seemed to have vanquished its rivals: fascism, communism, and socialism. The disappearance of alternative models of development provoked anguished reactions from the old anti-capitalists of the postwar era, who ... remained captives to a nostalgia for their vanished dreams." (Jagdish Bhagwati, "Coping with Antiglobalization", *Foreign Affairs*, January-February 2002).

Except to such old anti-capitalists, has globalization sold too many dreams? Joseph Stiglitz is one of the strongest critics of the globalization process led, in particular, by the IMF and WTO. He writes in his book, *Globalization and its Discontents*, published in 2002: "The fact

that liberalization all too often failed to live up to its promise – but instead simply led to more unemployment – is why it provokes strong opposition. But the hypocrisy of those pushing for trade liberalization – and the way they pushed it – has no doubt reinforced hostility to trade liberalization. ... One World Bank calculation showed that Sub-Saharan Africa, the poorest region in the world, saw its income decline by more than two per cent as a result of trade agreements.”

Kofi Annan, Secretary-General of the United Nations, puts the issue as follows in a piece entitled, “Globalization can make the world better” (*WEF Global Agenda*, issue No.1, 2003): “While the expansion of trade and investment have benefited the world economy and helped to alleviate poverty, globalization remains a fragile and incomplete experiment. Billions of people remain excluded from the opportunities of the global marketplace, as half the world’s population must eke out a living on less than US\$2 a day. Our challenge is to make openness work – to adapt the international system to today’s realities, and to ensure that all people and all countries feel that they have a stake in the system’s success.”

Annan stresses the private sector’s role and advocates the Global Compact Initiative. He is right in saying that the postwar economic order has not endorsed the so-called “magic of the marketplace”. The failure of its magic has actually become more serious since the end of the Cold War as the globalization process has accelerated. If we focus on the economic aspect of globalization, it is clearly a privatized, free-market system where resources are allocated through the marketplace with the private sector as its primary engine. The nature of the system is precisely why resources move only to areas which promise reasonable returns. Suppose a country is suffering from poverty, social and political instability. It follows that it must be in desperate need of good quality capital. Here, the cynical reality is that private capital ignores it for the very reason it ignored it at the outset – that there can be no return on investment. An equally cynical, but important, fact is that the end of the Cold War left both Western and Eastern bloc countries free to cease aggressive economic assistance for the sake of keeping alliances in the war of ideology.

Since the end of the Cold War, many countries have indeed curtailed their official development assistance (ODA) budgets. The United States and other Western nations have shown foreign assistance fatigue, while the former Eastern bloc, particularly Russia, simply cannot afford to give aid. Consequently, the new reality is that socially and politically high-risk countries and regions are automatically left out of market-driven resource allocation. We need to think afresh about the meaning of global public policy to avoid, or mitigate, ever more expanding divides. We must watch what can be termed global market failure. Public policies must play a more active role. Japan’s ODA budget is one of the largest of all. It, however, is being cut because of foreign assistance fatigue and budget constraints due to huge government debt of the order of nearly 150 per cent of annual GDP. As for the United States, Jeffrey Sachs puts it thus in his essay, “Who will lead the war on want?” (*WEF*, op. cit.): “One of the reasons why George W Bush’s administration is

losing the battle for the world's hearts and minds is precisely that it is fighting only the war on terror, while turning a cold and steely eye away from the millions dying of hunger and disease.”

Globalization has given rise to disturbing, negative by-products like globally networked terrorism, degradation of the environment, HIV/AIDS, SARS and other diseases, a widening wealth gap, and internationally organized crime like narcotics trafficking and money laundering.

LESSONS FROM THE 1997 ASIAN ECONOMIC CRISIS

Just six years have passed since the outbreak of the financial crisis that originated in Thailand and swept all of Asia. Historically, we have always been confused in our ways of seeing and dealing with the Asian economic and social situation. When, for many years, Asian economies remained stagnant, we used to have the theory of “Asiatic stagnation”. This theory failed to forecast or explain the 20 to 30 years of remarkable economic development that Asia enjoyed prior to the 1997 crisis. During the boom years, the World Bank and other institutions began talking about the “Asian miracle”, a notion that, in its turn, failed to anticipate or account for the sudden turmoil in 1997.

During that time, specialists and policy-makers, especially American and European, invented the theory of “crony capitalism” as the root cause of the trouble. It regarded the crisis as very deep-rooted in the structure of Asian economies and societies and as basically structural by nature. If that had been the case, Asian economies should not have seen a quick recovery. But the fact was that they did, which the crony capitalism theory neither foresaw nor explained (see Akira Kojima, “*Lessons from the Asian Economic Crisis*”, *Journal of Japanese Trade & Industry*, November–December 2000). MIT professor Paul Krugman wrote an article entitled “*The Myth of Asia’s Miracle*” in 1994. That was before the Asian crisis. Many observers were impressed by his foresight, but Krugman himself claimed that the crisis was different from the scenario he had

actually anticipated. In 1999 he went on to make this assertion in his book, *The Return of Depression Economics*: “many Westerners have turned the story of Asia’s crash into a sort of morality play in which the economies received their inevitable punishment for sins of crony capitalism”.

The 1997 Asian crash was a capital accounts crisis, very different from traditional current account crises for which IMF did have the knowledge and reasonable prescriptions. However, by 1997 the real economy had undergone profound structural transformations, which had not been countenanced when the IMF was created decades ago. What had changed was that the money economy had grown and conflicts and tension had started to grow between it and the real economy. The money side of the economy has been described as a “symbol economy” by Peter Drucker and “the cyber economy” by George Soros. It is inherently unstable and has become increasingly so with the introduction of information technology and derivatives. The turmoil in Thailand was triggered by sudden withdrawals of foreign capital. Even George Soros, the hedge-fund champion, began to advocate the necessity of some means of capital control. In *The Crisis of Global Capitalism* (1998) he wrote: “There are no permanent and comprehensive solutions, we must always remain on the alert for further problems. One thing is certain: Financial markets are inherently unstable; they need supervision and regulation.”

In the Asian financial collapse, the IMF was a part of the problem rather than the solution. Its initial prescription lacked proper understanding of the changing nature of the crisis and made the situation even worse. The policies it forced on Indonesia destroyed not only the country’s economy but its government and social fabric, too, so creating inhuman living condition for ordinary Indonesians.

BUILDING TRUST

The main topic of the 2003 Davos conference was “building trust”. I have occasionally attended Davos forums since 1988. The meeting in January 1990 was a watershed in that participants reveled in the euphoria of the apparent victory of the free-market capitalist system over controlled socialist economies. They told good globalization stories. But since the Seattle debacle, anti-globalization activists and theorists have been challenging globalization, or free-market fundamentalism.

At the 2003 meeting, Klaus Schwab, President of the WEF, said in his opening statement: “We are coming together at a very crucial moment of history. We are all members of a community with a shared global destiny. Here in Davos we have to bond, bind and build together. We have to bond together to define jointly our problems. We have to bind together to define jointly the objectives for resolving our problems. We have to build our future together. We really need in our world collaborative efforts among all the key stakeholders of our global society. Key challenges are

geopolitical challenges (terrorism, regional conflicts), economic challenges (sluggish growth, many fragilities that could create a breakdown in the system), the challenge of corporate governance (new business approach based on true long-term value creation, corporate citizenship and moral integrity) and the challenge of diffusing time bombs (poverty, HIV/AIDS, population growth, aging, water shortage climate change, etc., etc.).”

In April last year, the United States Public Broadcasting Service ran a long documentary, “Commanding Heights”, described by the Washington Post TV Review (April 3, 2002) as a brilliant success in educating the public on the globalization issue. It was based on the original book of the same title by the economist, Daniel Yergin. He coined the word “globality”, by which he meant that globalization had become more than a process and was now a reality. Yergin also attempts to depict today’s situation in terms of the battle between governments and the marketplace. The most desirable mix of the two may constantly change, depending on time and place (countries), but he mentions the following five tests, which are likely to be decisive in shaping people’s thinking and judgments about the market:

- 1) Will market economies deliver on what they promise in terms of measurable economic goods (economic growth, higher standards of living, better quality of services, and jobs)?
- 2) Is the system fair and just (equality, fair play, and opportunity)?
- 3) Is the system upholding national identity?
- 4) Is the system securing the environment?
- 5) Does the system cope with demographics?

Since the end of the Cold War, we have quickly found ourselves living in a global economy and a global market. We do not, however, have global government. Globalization has given rise to disturbing, negative by-products like globally networked terrorism, degradation of the environment, HIV/AIDS, SARS and other diseases, a widening wealth gap, and internationally organized crime like narcotics trafficking and money laundering. No single country alone can solve all these global problems alone. They must be addressed by strong public policy approaches, yet it is sad to note that under globalization the nation state is on the decline. What is needed are collaborative efforts bringing together not only nation state governments, but international players like private corporations, NGOs and other stakeholders.

Equal participation and greater transparency are needed. In a piece entitled “Globalization’s Democratic Deficit” (*Foreign Affairs*, July-August 2001), Joseph Nye put the issue in this way: “It would be ironic if current protests curtails the positive aspects of globalization while leaving the negative dimensions untouched. ... Better accountability can and should start at home. Increased transparency is also essential. Rather than merely rejecting the poorly formulated arguments of protesters, proponents of international institutions should experiment with ways to

improve accountability. NGOs could be welcomed as observers – as the World Bank has done – or allowed to file friend of the court briefs in WTO dispute-settlement cases. “Lastly, some required reading on our subject, which constantly grows in importance. Strongly recommended is *Crossing the Divide: Dialogue among Civilizations*. It explores lessons to be learnt from the tragedy of September 11, 2001. This United Nations-sponsored publication was written by a Group of Eminent Persons who were selected by the Secretary-General. It is full of wisdom and constructive suggestions for dialogue in a spirit of inclusion and positive perception of diversity and differences. It even proposes a reassessment of the “enemy”, for if we do not have the right spirit, diversity can become an enemy. Incentive, as Daniel Yergin rightly put it, which are the very essence of economic globalization and its dynamism, can be translated into greed in the vocabulary of anti-globalization groups.

We are seeing a shift in the old paradigm of exclusion to a new paradigm of inclusion and receptiveness to differences and diversity. We have great opportunities as well as serious risks and dangers. We must not be hostages to simplification, which sees the world as a dichotomy: It is too increasingly complex to be understood in terms of friends versus enemies. We can, and need to, make alliances to collaborate – even with those we once perceived as enemies – in the fight against such new common global enemies as environmental degradation or narco-trafficking. We need a stronger coalition to rise to the new challenges. To make the right choices we need a real and renewed dialogue among civilizations.

We must not be hostages to simplification, which sees the world as a dichotomy: it is too increasingly complex to be understood in terms of friends versus enemies.

JAN PRONK

Professor, Institute of Social Studies, The Hague, and former Minister of Development Cooperation, the Netherlands

Jan Pronk is Professor at the Institute of Social Sciences in The Hague in the Netherlands. A graduate of the Rotterdam School of Economics, he lectured at the school's Development Programming Centre and the Netherlands Economic Institute from 1965-71. From 1979 to 1980, he was professor of international development policy at the Institute of Social Studies. In 1989 he occupied the Den Uyl Chair at the University of Amsterdam. He was a member of the Lower House of Parliament for the Labour Party in the Netherlands (1971-73, 1978-80 and 1986-89); the Labour Party's first Deputy Chairman (1986-89); Minister for Development Cooperation (three terms); Deputy Secretary-General of the United Nations Conference on Trade and Development (1980-85); and Assistant Secretary-General of the United Nations (1985-86). Between 1998 and 2002, Mr. Pronk was Minister of the Environment in the Netherlands. He was President of the Conference of the Parties (COP 6) for the UN Climate Change negotiations in 2000 (The Hague) and 2001 (Bonn), and UN Secretary-General Kofi Annan's Special Envoy for the 2002 World Summit on Sustainable Development. From 2002, he has been Chair of the International Institute for Environment and Development.

GLOBALIZATION AS GLOBAL EXCLUSION

Globalization is belittled by many scientist and policy makers. It is very often said: "Globalization is just a phase in an historical process and is not new at all". It is said just as often: "You have to break globalization down into a number of different dimensions and each has it own consequences". It is also said, and also very often, that "globalization has positive consequences and negative consequences". Fourthly, and again very often, it is said that "you should not try to resist globalization, or react to globalization, no, you should respond to it and accommodate it".

My position is different from those expressed in the four statements above. In my view globalization is a revolution and, like any revolution, it had a pre-revolutionary period and has its roots in the past. But the combined effects of globalization are that we have no frontiers any more; that time differences no longer play a role, that distances no longer play a role, and that speed and space no longer have a role to play. Because technological changes having unfolded in four dimensions, they have now created a revolution in the minds of people. A revolution that is not only an economic and technological phenomenon, but also a phenomenon in the minds of people. That is something new. For the first time in the history of humankind people can feel part of a global community on a real-time road, with real-time connections, whereby anything of importance that happens can have direct consequences – in the same minute – anywhere in the world. We have jumped a hurdle in psychological and cultural terms.

There we have it: a technological revolution which has its roots and, of course, its changes in the past and which, all of a sudden, has created this situation. And that technological revolution is the result of economic supply factors. Globalization does, of course, have many consequences in many dimensions. But its basic foundation is supply-side economics, which has led to technological changes coming into the economy and has had major consequences in value terms. Meaning that spheres which were once outside economics, say education, information, the media and others, have now been drafted into the same value system of cost reduction, greater efficiency and productivity increases. Everywhere in the world there is uniformity of values, the driving force behind globalization.

The third phase of globalization is characterized by a system in which the market is occupying the resources of the poor.

The inference is that the negative and positive consequences of globalization are no longer just a talking point. Globalization does, indeed, lead to negative and positive consequences. But, and this is my point, the negative consequences will, at a certain moment, outweigh the positive consequences - creating a big danger. For that reason we have to take a stand on the positive and negative consequences in terms of the "human condition".

My personal condition and, I suppose, the condition of most of you, has improved a lot over recent years in terms of income, in terms of access to a variety of products and services, data and information. As regards quality of information my condition has improved. For me it is new to have access to the Internet and e-mail. I have a credit card and I have return tickets back home. I switch on CNN and I have a number of other devices similar to the ones which all of you, wherever you travel in the world, have access to. These devices are no longer elitist, restricted only to a small fraction of the world's population. They are the devices accessible to what I am accustomed to calling the global middle-class. There is a global middle-class. It is not small, millions of people belong to it. At the same time, though, there is a global underclass of people who have no access to any of these devices.

They are the landless, they are the jobless, permanently jobless. They are the homeless. They are the people who do not have access to clean, safe, water. They are the people who do not have access to sanitation - 2.1 billion people do not have a toilet. They are the HIV/AIDS victims who, in many countries, have no access to medication. They are the displaced people, the permanently displaced people, the poor urban dwellers, the illegal migrants who hardly dare to show their faces in many countries. They are people who share one characteristic: they belong to the global underclass.

Now, you may say that this is a phenomenon, which always has been with us; that there have always been rich and poor in any society and there always will be rich and poor. We can try to deal with the problem by means of income redistribution. There was such an attempt in the history of economic development, but it did not take place automatically, poor people had to fight for it. They created labor unions, they organized strikes in many countries and those who did have access to an income, responded to the struggle once it was over in an enlightened manner. For they understood that it was intelligent to give a positive response, as people who were poor ought not to stay poor because, at some point, they also could be people offering their purchasing power, giving a boost to economic growth and economic development. That was the way in which we tried to organize our societies after the Industrial Revolution - by creating policies that injected purchasing power, by creating a social welfare state, by creating a good place for labor unions in our society, and by having a public sector. That was phase one of globalization: the enlightened self-interest of the rich created a positive response to the demands of the poor.

The United Nations made it clear at the World Conference in Copenhagen that phase two of globalization had started. There were no longer poor people on the market, but people who had been excluded from the market. Social exclusion. You cannot deal with that problem only by means of income redistribution. You have to do something more. Because these poor people are not exploited, they are excluded.

Poor people are considered dispensable, and if poor people do not have their labor or purchasing power, which they can use as an instrument to get access to the markets, then another approach has to be organized – one that is far more difficult. That approach is integration into society by means not only of the redistribution of income, but of assets, and through positive action in favor of the poor. Some countries have tried out, even implemented, such policies.

Globalization has now entered phase three as far as poverty is concerned. There is no longer only “poverty on the market” (rich words), there is no longer only “exclusion from the market”. This third phase is characterized by a system in which the market is occupying the resources of the poor. The resources of the poor are being appropriated and fenced off. Poor people are no longer only being marginalized, they are being driven out. For example, poor people have been driven out of places where water is scarce. Scarce water has to be made available for the middle class, for industry, for agricultural exports and not for the poor to drink or wash. Poor people are being driven off fertile land. The poorest people in the world live on the poorest soil in the world. Poor people are being driven out of fishing grounds, which are expropriated by big fishing companies so they can export fish to other countries. Poor people do not have access to the energy, which is available to the middle class worldwide. Credits, licenses, markets and subsidies are made available to big companies and not for the initiatives of poor peoples in societies. HIV/AIDS victims are denied access to medication, because only the middle class can afford the prices. And if poor countries try to produce their own HIV/AIDS medication through domestic investment, the international system works against them.

Poor people are not only being excluded, they are being driven out! They are not only considered dispensable, rather they are seen as people who should not exist, who are not only dispensable, but are a cost factor for the economy. When we discussed the future at the World Summit in Johannesburg, the following point was made: “We have now reached a situation whereby there is ‘global apartheid’. When you were black you did not have access to society, now you are poor you have been driven out, and you don’t get access at all to society any more, it is denied you, because it is not considered necessary any more”. Poor people are not useful, either in terms of their labor or their purchasing power. They are nothing but a cost factor. Global apartheid. Dehumanization.

When, in the past, poor people saw that they were poor compared to people of other classes, they nevertheless felt their lives were a bit better than the lives of their parents. And by working, by trying to get access to mainstream society, they could improve the lives of their children. They had a perspective: their lot was better than their parents', and their children would have an even better life! For many people in the world self-betterment has increased during the last 10 to 20 years. The situation is exactly the opposite for the poor. They know that their fathers and their grandfathers, and their mothers and their grandmothers, had a better life than they have. And they are certain that their children and their grandchildren will have even less access to income, wealth, assets and the possibility of a livable life in the future. Globalization has created a situation whereby people's prospects are changing. Gradual improvement? No, a gradual, eternal, sliding-down and the extreme difficulty of gaining access to improvement. That creates a new situation in the minds of those who do not feel connected.

Today, many people experience love-hate feelings towards the Western world, modernity and globalization. They are attracted to the West, as in the past, because of emancipation movements, migration and for other reasons. But, at the same time, they also know that the values within the Western system like equity, sustainability – are clearly not meant for them, but for those who already have access to the system. Which means that a gradual subversion of the values of the global system is gaining ground. Love-hate and doubt are being replaced in the minds of many people by aversion for modernity, aversion for the West and the North, aversion for the middle class. The phenomenon, however, is no longer restricted to the North-South divide, as it used to be, because nations and national boundaries do not play a major role any more. There is an underclass in all world societies: in Holland as much as in Brazil or in the United States of America.

But there is also a global middle-class – in South Africa, and in many other African countries. Sizes are different, but the global middle class pervades countries worldwide. So does the global underclass. Aversion can be created in a situation where you know that the system does not want you any more, because you are considered dispensable, you are considered a cost factor, you are considered backward. So much so that you do not want the system any more. You turn your back on it. But turning your back on it because it denies you access and a livable future may create violence. Poverty never created violence in itself. Poverty plus exclusion, plus the feeling that your living space is being appropriated, being occupied, that you are not considered a human being but a cost factor – all that may give rise to a violent attitude. Of course, 95 to 99 per cent of all those who are deprived of access still have doubts. But there is an increasing number of people, in particular young people, who are translating doubt into hate, and hate into violence.

When the response to such growing resentment is to take measures to protect globalization and the middle class, because people in a certain category are seen not as individuals but as

potential threats, then such measures breed even more violence. Protective action could even, at a moment, assume the character of a preventive strike against the poor. Like George Bernard Shaw – and Lord Byron, to quote another English-language writer – predicted, more and more violence is thus being created.

We must shift our emphasis and purpose to ecological globalization, to social globalization, to the globalization of employment, and to the globalization of rights!

I would like to outline a five-point agenda for action to counter such dangerous trends. The first item is a paradigm fight between security and sustainability. Security means protecting the middle-class against a potential threat, which comes from those who are excluded and have been expropriated. Sustainability as we define it, after Kofi Annan in Johannesburg, means “to create a safe place for anybody in the world, irrespective of where the person lives, irrespective of his/her creed, religion, ethnic background, irrespective of any specific circumstances. A safe place, safe job, safe access to water, safe access to sanitation, safe access to medication necessary to survive and continue your life”.

It follows that a first priority must be to implement the Millennium Development Goals. That means that the poor must no longer be betrayed, as they have been so often in recent decades when we accepted targets, but did not implement them. We are also currently witnessing a tendency whereby the Millennium Development Goals are seen as a process and not as a target, even though leaders of all countries endorsed them.

My second point is that, if, indeed, the middle class is appropriating the underclass, then a sustainable lifestyle for the middle class is also important. Which, in turn, requires a change in the value system. It can no longer be based on greed, on material consumerism, or on egoism as the ultimate expression of individualism. The lifestyle of the middle-class must change in order to create a perspective for the underclass. The third measure on my agenda is to break the market’s all-powerful grip on each and every sphere of our society – education, communication, information and the media. We can reconnect people across spheres of social activity only if we remove the mechanism, which disconnects them.

Item number four is that we should address globalization in a way that is different from current practice. We see it as something self-evident and inevitable, although we sometimes try to pick up the pieces and help the occasional victim of globalization. Change the nature of globalization? Yes. We can do it – changing the face of globalization. That involves reconditioning it, retargeting it, and refocusing it. We must shift our emphasis and purpose to ecological globalization, to social globalization, to the globalization of employment, and to the globalization of rights. All the focus on further deepening and intensifying economic globalization such as market globalization, steals the effort, energy and time from all the other forms of globalization, so creating an even greater divide.

Finally, the fifth point on my agenda is that in order to achieve all this change, we have to restore and reform the international system: the legal system, the political system which we created in the 1940s, the system of the United Nations that we founded to deal with the great threats of the 1930s, 1940s and 1950s. The United Nations has become an eroded system, marginalized from the workings of the international market, marginalized from the international economy, marginalized also as a forum from all the places where political decisions are taken. The restoration and reform of the United Nations system is absolutely necessary in order to make the first four elements of this specific agenda instrumental and effective.

DONGCHENG HU

Vice-Chancellor, Tsinghua University, China

Dongcheng Hu is Professor of Automation and Vice-President of Tsinghua University in Beijing, China. He graduated from the Department of Electrical Engineering in 1970, and was a visiting scholar at Technical University in Munich, Germany for two years. He was promoted to Professor in 1990 and then became Chairman of the Department of Automation; he later headed the Graduate School. Currently, Professor Hu is also Dean of the School of Continuing Education. As Vice President, he is responsible for international relations as well as the interdisciplinary development of humanities and social sciences and the information infrastructure of the university. Social and professional positions include: Council Member of the Chinese Association for International Understanding and the Chinese Association for Overseas Exchange; Board Director of the China Education Association for International Exchange; Chairman of the Distance Education Society, China Higher Education Association; and Chairman of the Education Committee, China Automation Association.

EDUCATION AND GLOBALIZATION - Facilitating the Harmonious Development of Globalization and Diversification

Education cannot escape globalization, any more than the economy could. It must therefore seek to take its place. Information technology has driven the globalization of the economy, now an irreversible process. The world has become smaller and all economies are part of a global market based on knowledge and information. Frequent international exchange, close cooperation and sharp competition co-exist in an integrated world. Education is both a mark of the progress of civilization and one of the basic forces behind society and the economy. Its mission and functions are irreplaceable in human history and now play an increasingly important role.

The new age has given education a new mission and new content. It has also brought unprecedented challenges and demands for reform. Nations, regions, industries and enterprises no longer compete merely for natural resources, capital and cheap labor, but increasingly for knowledge and intelligence – in a word, for human resources. Education is a major means of developing human resources and has become a very important component in the effort to increase national productivity and compatibility with international competition. What is more, it is an important means of coping with and sharing in the globalization of the economy.

Compared with developed countries, developing countries enjoy a much smaller share of the global economy and they benefit even less. Regretfully, the gap is widening. Due to the backwardness in science, technology and education, developing countries cannot perform well enough in the competition for knowledge and intellectual resources. They will become more and more uncompetitive and marginalized in the knowledge-based economy if no efforts are made to strengthen their education systems, or develop and manage their human resources. Focusing on education must be a strategy for developing countries in the new century.

Faced with globalization, China made the landmark move of joining the World Trade Organization (WTO) and opening up to the outside world. We are now more involved and participating more fully in the globalization of economy. But China will also have to step into the international education competition, which will require us to have a global vision. Students should be taught international and cross-cultural understanding to enable them to appreciate and tolerate

different cultures and customs. This is a new departure from tradition. Chinese education needs to train students to meet domestic and international requirements.

The globally mobile, international nature of human resources, in turn, requires reforms in Chinese educational delivery systems, practices and models. The curriculum, which lies at the core of education, needs to be on the international highway. Advanced textbooks from overseas will be introduced and adopted to give citizens new concepts and knowledge. The traditional teacher-oriented approach will be replaced by one that emphasizes students' creativity, practical capabilities and communication skills. Our goal is citizens with international compatibility.

Quality of education is the most easily measurable of all international competition yardsticks. In other words, the global education competition is about quality and outcome. Joining the WTO will enable the Chinese education system to compare itself with its counterparts overseas and to apply international standards. In China, improving the quality of education will be both a major task and a top priority. Continuous improvement will not only enable the education system to meet the needs of the domestic market, but of the international market, too. I believe that the commitment to continuously improving the quality and outcome of education is a fundamental and highly effective strategy for globalization.

Globalization has brought China the opportunities to:

- Stimulate a more varied educational provision – there is a huge demand for different skills in the fields of finance, management, international trade and services;
- Open up further to the outside world, learn from experiences abroad and raise domestic educational levels;
- Introduce advanced teaching resources and capital investment to make up for domestic shortcomings;
- Introduce competition into education and push forward domestic reforms;
- Improve regulations and practices in education.

Let us now turn to the challenges for Chinese education against the background of a globalization process characterized by the following five trends: The first is intensified competition on the education market. It is primarily a challenge for colleges and universities. In recent years, educationalists from abroad, particularly from Western industrialized nations, have come to China on promotional visits, offering scholarships and easing overseas student visa regulations. These measures attract increasing numbers of students year-by-year. Under WTO regulations, educational institutions are allowed to run joint education programs. They are very competitive and challenge domestic institutions of higher education. Chinese vocational and continuing education is facing similar challenges. Western industrialized nations enjoy a favorable position in the market due to their highly developed experience in the field. However, we do not expect that domestic education will lose out. Chinese traditional culture will have its place in globalization.

China will have to step into the international education competition, which will require us to have a global vision.

The second trend is discrepancies in education: Gaps in education levels between different economic regions of China have probably widened, exacerbating the uneven development of education. The coastal provinces are usually better developed economically and educationally. Overseas educational institutions run their programs in better-off areas rather than in poorer ones in order to get optimal returns on investment. In this way the original gap between the "richer" and "poorer" provinces could well be further widened.

The third challenge for Chinese education is employment structure. Membership of the WTO will create more employment opportunities in general. However, there is still a problem in the employment structure. In China, the service industry is under-developed. After we join the WTO, foreign companies will come into the market. According to government predictions, there will be tens of millions of employment opportunities created in the service industries in the next five years. On the one hand, there will a shortage of well-educated technical professional for market needs. On the other hand, urban workers with out-of-date skills will be laid off during the restructuring of industry and pose a severe unemployment problem.

The fourth trend could be labeled "new type of brain-drain": Due to demand for all kinds of senior managerial professionals, overseas firms will be in a favorable position, as they can usually offer much higher salaries than their local counterparts. Consequently, brains will be drained into foreign companies and institutions. Local organizations in the fields of finance, insurance and medicine will be challenged and are facing the prospect of losing people to their rivals from overseas. According to one prediction, the Chinese financial system will lose about 20 percent of its skilled professionals in the years to come. In the middle and western parts of China, the brain-drain will be worse.

To rise to the above challenges, China must adopt a new development and reform strategy. It must strive to turn the burden of its huge population into a wealth of superior human resources by skills training and raising standards across the whole population. Only then will the country and its human resources be ready for modernization.

Economic globalization, political multi-polarity, cultural diversification and the balanced development of the North and the South will become the four pillars on which world peace and stability will be built in the twenty-first century.

Our experience of fast economic growth in recent years indicates that the government has had some success with a strategy of invigorating the nation by developing science, technology and education, so raising educational standards at large and making the country more attractive to outsiders. However, there is a long way to go before China can meet its educational needs both at home and in international competition.

Globalization cannot be the same in different countries. Although it is an irreversible momentum, absolute market-oriented and uniform globalization is unacceptable. Only when it is integrated into the actual condition of a country can it be full of vitality. What we hope for is globalization that brings with it harmony as well as difference, diversity and sustainable development.

In 2002, the United Nations World Summit on Sustainable Development (WSSD) was held in Johannesburg, South Africa. The Johannesburg Plan of Implementation, passed at this summit, called for "the integration of ... economic development, social development and environmental protection, as the three major pillars of sustainable development". And, it was added, "education plays a very crucial role in promoting sustainable development", indeed the pivot and basis for achieving sustainability. Meanwhile, it was suggested, "globalization should involve adequate compatibility and equality".

But can education really support sustainable development in an era of economic globalization and knowledge economy? The precondition for development is, above all, world peace and stability. And what kind of framework will contribute to global stability and sustainable development? Personally, I think that there are several concepts worth mentioning on the issue of educational development in various countries.

Firstly, trends towards diversity in the economy, politics and culture should be tolerated and encouraged. It is natural to describe globalization as a gradual process towards commonality, which is, for the moment at least, market-oriented. In the relation between commonality and individuality, commonality lies in and is based on individuality, without which both it and globalization will become weak and dim. In the twenty-first century, as economic globalization accelerates its pace, I contend, first of all, that the more globalized the world economy becomes, the more efforts should be made to achieve political multi-polarity. I believe that countries, big or small, are all equal members of the international community. With common development as their goal, all nations should commit themselves to establishing new partnership relations based on equality and mutual respect and benefit.

Next, the more globalized the world economy becomes, the more efforts should be made to keep cultural diversity. We are living in a world full of diversity where each nation has its own national characteristics and strengths. There should be mutual respect and understanding between and among different nations and, learning from each other; each nation should seek to coexist with others harmoniously. As the ancient Chinese philosophy puts it: "Harmony leads to new development while uniformity does not help".

Finally, the more globalized the world economy becomes, the more reliable, concrete measures should be undertaken to facilitate balanced development and bridge the gap between rich and the poor. It is imperative to enable poverty-stricken countries and regions to enjoy the benefits of globalization, and to make great efforts to lessen the divide between the rich and the poor. Otherwise, it will be very difficult to implement globalization in many of the developing countries and it will lose its essential and original meaning.

Also, we have to deliver green education for sustainable development. Sustainable development is a new development in human civilizations. Throughout history humankind has relied on nature, tamed it, and conquered it. We are now stepping into a new era in which nature should be well treated and protected. Sustainable development is a comprehensive concept embracing the economy, society, culture and natural environmental protection. There are three components to it: natural resources and ecological environment, which are its base, the economy which is its premise, and society, which is the goal of all human development. Human development must balance the economy, resources and the environment. It must therefore consider the cost of resources and respect the environment.

The following concepts must be enshrined in higher education in the new century. Green education: higher education curricula must include environmental protection and convey the principle of sustainable development in all educational activities, so as to groom students in a concept which will guide them in their future careers. Green research: we must not only think in

terms of "green science and technology", but also carry out substantial research work to promote the green environment and green industries. Green campuses: we should provide teachers and students with green surroundings that act as both their living and studying environment and as the basis for their green education.

Overall, the developed countries should assume greater responsibility to address the common problems mankind is facing. Today, we witness increasingly frequent exchanges and trade and business activities between countries and regions, which make people around the world more dependent on and interactive with each other. Many problems and difficulties, such as poverty, the environment, the climate, demography, education, HIV/AIDS and, more recently, SARS, have attracted worldwide attention. Yet they deserve far more concern and effort from people around the world and should stimulate related exchanges of ideas and cooperation, so as to achieve common development. As we know, developed countries have greater strength and capabilities when it comes to addressing the common problems mankind is facing. They also enjoy favorable positions in the fields of politics, the economy, culture, science and education. They have more opportunities to express their opinions and to set standards. Therefore, they should take on greater responsibility and more obligations, so as to contribute more to a better future for humankind.

At this juncture, I would also like to point out that economic globalization is a double-edged sword – a great force both facilitating development and producing various side-effects. At the end of the last century, opinions of globalization around the world greatly differed. However, only a couple of years into this century and after a series of difficulties, more and more countries and regions have come to realize that greater stress should be put on differences and discrepancies in social development and distinct cultural backgrounds. Conflicts between cultural differences are not absolute but relative. They can be resolved through a process of improving mutual understanding and internationalizing education. From world history we may learn that human civilization has developed and been enriched by the long-term coexistence and integration of different cultures.

To conclude, I would contend that human practices and social development will increasingly prove that economic globalization, political multi-polarity, cultural diversification and the balanced development of the North and the South will become the four pillars on which world peace and stability will be built in the twenty-first century. Only with world peace and stability as its prerequisite is sustainable development possible. Education has a fundamental, comprehensive role to play. In other words, the more globalized the world economy becomes, the more prominent education will become. In this age of changes and challenges, strengthening international educational exchanges and cooperation and pushing forward common development are part of the glorious mission, which our times have bestowed upon us.

Essentially,
globalization is
a byword for
efficiency.

SEUNG-SOO HAN,
Member of the National Assembly and former Minister,
Republic of Korea, President of the fifty-sixth session
of the United Nations General Assembly



(from left to right)
SEUNG-SOO HAN, Member of the National Assembly and former
Minister, Republic of Korea and HANS D'ORVILLE, Director, Bureau of
Strategic Planning, UNESCO

(from left to right)

EDUARDO ANINAT, Former Deputy Managing Director, International Monetary Fund (IMF), **AKIRA KOJIMA**, Senior Managing Director and Editor in Chief, Nihon Keizai Shimbun (NIKKEI), Japan and **JAN PRONK**, Professor, Institute of Social Studies, The Hague, and former Minister of Development Cooperation, The Netherlands



AKIRA KOJIMA,
Senior Managing Director
and Editor in Chief, Nihon Keizai
Shimbun (NIKKEI), Japan



Globalization has given rise to disturbing, negative by-products like globally networked terrorism, degradation of the environment, HIV/AIDS, SARS and other diseases, a widening wealth gap, and internationally organized crime like narcotics trafficking and money laundering.

The third phase
of globalization
is characterized
by a system in which
the market is occupying the
resources of the poor.

JAN PRONK,
Professor, Institute of Social
Studies, The Hague, and former
Minister of Development
Cooperation, the Netherlands





DONGCHENG HU,
Vice-Chancellor, Tsinghua
University, China



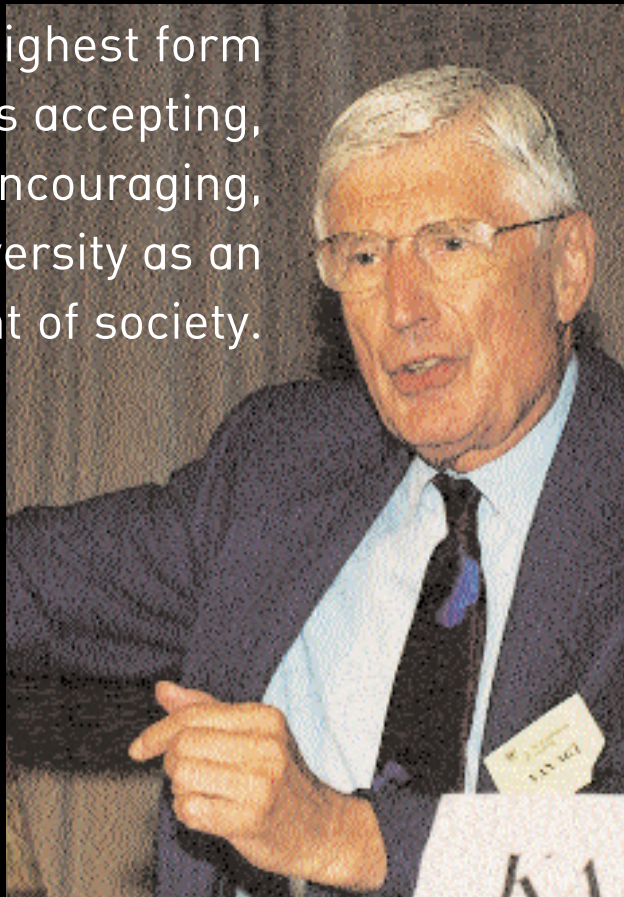
AMINATA TRAORÉ,
Former Minister of Culture, Mali

In Africa we feel that we are in the “middle of the river” - we do not know whether to swim ahead to the other side or back to the bank we have left. We do not know whether or not we will be able to cross that river: we are in despair.



RYOKICHI HIRONO,
Professor Emeritus, Seikei
University, Japan

The highest form
of tolerance is accepting,
or even encouraging,
cultural diversity as an
enrichment of society.



ANDREAS VAN AGT,
Former Prime Minister of the
Netherlands



Without regard for other cultures as components of human culture we cannot aspire to true humanism, which is the principle behind world peace.

TOMONOBU IMAMICHI,
Director, International Centre
of Philosophy, Japan



The chairs and rapporteurs of the five working groups present findings and policy recommendations. From left to right:

KINHIDE MUSHAKOJI,
Professor, Chubu University, Japan
(Working Group on Globalization and Cultural Policy)

ANDREI MARGA,
Rector, Babes-Bolyai University, Romania
(Working Group on Globalization and Education Policy)

HANS VAN GINKEL,
Rector, United Nations University (UNU) (Chair)

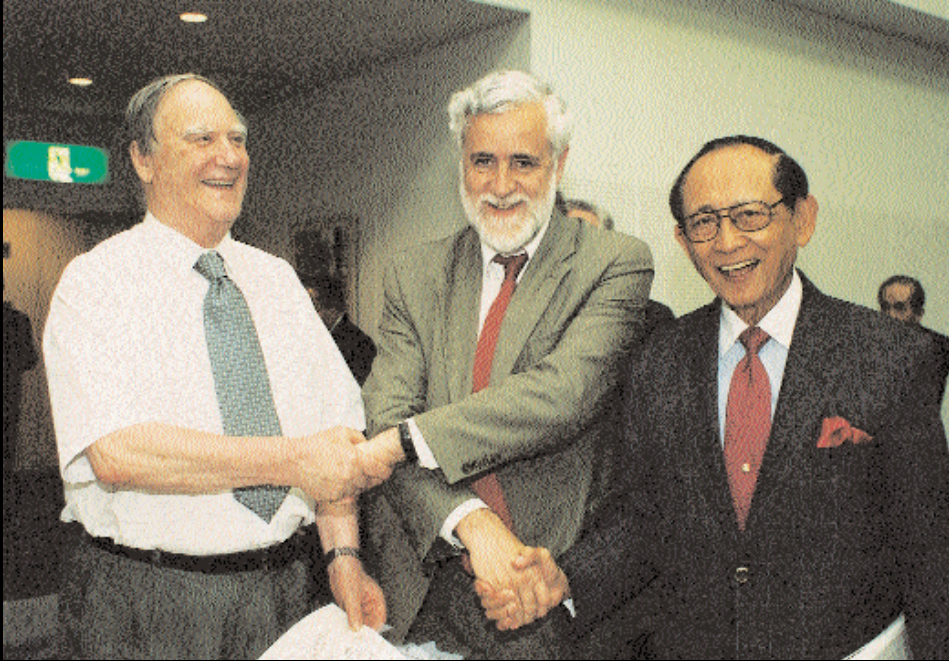
WAKAKO HIRONAKA,
Member, House of Councillors, Former State Minister and Director
General of the Environment Agency, Japan (Working Group on
Globalization and Environmental Policy)

BALTHAS SEIBOLD,
Bureau of Strategic Planning, UNESCO
(Working Group on Media, Communication and Globalization)

→ The summaries of the Working Groups' Deliberations and Policy Recommendations can be found from page 178 to page 179

Farewell after two days of extensive work. From left to right:

SERGEY KAPITZA, Academician and Vice-President, Russian Academy of Natural Sciences, **EDUARDO ANINAT**, Former Deputy Managing Director, International Monetary Fund (IMF) and **FIDEL RAMOS**, Former President of the Philippines



V. CULTURAL
DIVERSITY,
DIALOGUE AND
ETHICS

PP.156-161

AMINATA TRAORÉ, former Minister of Culture, Mali

IN THE MIDDLE OF THE RIVER - Africa, Culture and Globalization

PP.162-167

ANDREAS VAN AGT, former Prime Minister of the Netherlands

IMMIGRATION, CULTURAL DIVERSITY AND HUMAN RIGHTS

PP.168-173

TOMONOBU IMAMICHI, Director, International Centre of Philosophy, Japan

THE EDUCATIONAL TASK OF PHILOSOPHY IN OUR CENTURY - Cultural Integration for World Peace

PP.174-177

HRH PRINCE EL HASSAN BIN TALAL

OUR SHARED VALUES - Letter

AMINATA TRAORÉ

Former Minister of Culture, Mali

Aminata Traoré, former Minister of Culture and Tourism of Mali, is an author, community leader and manager of cultural events and enterprises. She holds a doctorate in social psychology. As a consultant for various international organizations, her work has focused on social development and the social cost of globalization, women's issues, environment and the role of culture as the basis for human reconstruction when access to essential goods is problematic. Previous positions include Regional Director for the PROWWESS Programme (Promotion of the Role of Women in Water, Environmental and Sanitation Services) under the auspices of the UN Development Programme (1988-92); she also participated as member of the World Commission on the Social Dimensions of Globalization. Recent publications include: *L'Etat - l'Afrique dans un monde sans frontière* (1999), which deals with the debt issue, African decision-making capacity, and the singularity of African culture; and *Le viol de l'imaginaire* (2001).

IN THE MIDDLE OF THE RIVER - Africa, Culture and Globalization

This paper is focusing on three aspects of globalization from an African perspective. It will firstly elaborate on the difference between the “face” and the “mask” of globalization and ask what sort of paths we have already trodden and what sort we will take in the future, particularly in Africa. How are they going to be different from the processes taking place in other countries? As a second point, political violence and symbolic violence will be analyzed, followed by the issue of culture and the role it plays in globalization.

First of all what do we mean by globalization in Africa? It has a long history and we have really suffered from the beginnings of globalization, when black people were used and traded as slaves for the global market. From then to today’s new waves of liberal market capitalism, globalization has never really fulfilled its promises for our continent. If it had fulfilled them just once, everyone in Africa would be for globalization and would be applauding, and the world would say, “Africa is managing its business very well”.

Obviously, that is not the case. Africa was asked to pay the largest sacrifices to globalization in the past. Now, as economic and political space is being restructured by a new wave of globalization, Africa is again being asked to carry the biggest burden. The title of this volume is “Globalization with a Human Face – Benefitting All”. However, the current face of globalization is not human, but inhuman, and that is the reason why, on the African continent, and particularly in the sub-Saharan area, the damage brought about by globalization is so prominent. Certainly, there are positive aspects to this globalization. For example, one can travel from Africa to Japan in less than 18 hours and we can, of course, correspond by using e-mail. The proponents of globalization are certainly aiming for a better world, a world without frontiers, without borders, where people are not discriminated against, or alienated, where goods can pass freely.

However, what does globalization mean for Africa? It does not only foster the exchange of goods amongst countries. We are also seeing increased “people traffic”. Young people in Africa, particularly from sub-Saharan countries and North Africa towards Gibraltar, are not living a good life. More and more people try to flee to Europe, causing the humanitarian catastrophe of clandestine immigration. They lose their lives in the Straits of Gibraltar. They all had aspirations and dreams and thought that if they went to Europe they would have a better life. They lost their lives

in trying to fulfill that dream. That is definitely not a good aspect of globalization. It is an ugly underside.

Many of the things that have been brought about by globalization are gaps, holes, traps – we had to try and we fell in. Globalization has brought about damage. We have to try to find some remedy for the damage we have suffered. Children go to school, but the schools do not have toilets, or desks, or chairs. And what about agriculture in African countries such as Mali? We have sacrificed it and yet developed countries are selling their agricultural goods at very high prices. Their goods are flooding the market; Mali has lost its agriculture capacity.

In Africa, the current face of globalization is not human, but inhuman.

No, globalization does not have a human face in that respect. It is more like a “poisonous octopus” with an enormous quantity of poison and many tentacles, which it uses to catch the best parts of globalization for itself. Some of the tentacles are the G8 countries, the International Monetary Fund (IMF) and the World Bank. They try hard to develop commerce, develop trade, so they say. The IMF, for example “bails out”. Now, these bailouts are intended for African leaders who bow and kowtow to the IMF and in no way benefit the people at large. Other tentacles of the octopus include agreements and partnerships such as the Cotonou Agreement and NEPAD. We can only wish and hope that all these players will in the future start to respond better to needs and problems and show a bit more humility.

We must look at the situation with a good, clear head and with much more sincerity, integrity and honesty. We have recognized the system for what it is, because it is not a suitable system for Africa. Africans seem to be despised by all peoples all over the world. The wealthy say that they, themselves, are “good” people and that, as such, they became rich. Wealthy people often think that they are good and, being good, they really must impose their way of thinking on the poor. That is their logic. In other words they only think about their own interests.

When one thinks of foreign investment what does one see? Since the collapse of the Berlin Wall, how has the situation changed? Who is ruling African countries? Following dictatorial regimes, what sort of country or state do we now live in many African countries? Are our governments based on democratic ideas? Are elections held in a democratic fashion? Is there dialogue between government representatives and the people of the country? On a television programmed at home I would not be able to express my opinions as I am doing in this paper.

African youth has no jobs. Young people are unemployed, and the farmers are living on less than one dollar per day. Under these kinds of circumstances can we really have dialogue? We have great need of the basic necessities, water, food, education, just very basic needs. These are our minimum requirements and should be the major topics of our consultations and talks. The leaders of our country put on lovely, smiling faces for the international community, while on the other side of the coin, they frown and scowl before the domestic community, the African people.

The retail price of a car in Mali is twice what it is in France. If I fall ill and need to purchase medical supplies in Mali, I would have to pay twice as much as Europeans. The cost price of natural resources, electricity and energy, is much higher than in developed countries. We are consuming goods that developed countries do not need anymore. These are the throw-aways from developed countries – that is what we are given and pay a very high price for, as well.

Another impact of globalization on Africa is cultural alienation. Even though the colonial period is over, we continue to experience alienation. No real sovereignty was restored to us. If you watch television, you will see that Africa is portrayed as an extremely belligerent, violent place, where people are fighting and killing each other in civil strife. Yet we are not belligerent people by nature. We are placed in a situation where civil wars cannot help but occur. We have these enormous wars as our heritage, and people say that Africa is a lost case. So many people assert that Africa cannot be saved, that it cannot be helped. It is portrayed as a helpless, hopeless place, as a hot bed of terrorism, as a place festering with social problems.

Africa used to be a colonized continent and many people continue to hold the same kind of despicable, derogatory attitude towards us. They do not see Africa for what it is. They talk about African strife and conflicts, then they talk about the death toll of a civil war. But they do not really reflect upon what they, themselves, did to Africa first. Africa went through its Cold War, for the colonial period was a time of cold war for Africa. So, too, is the period that has elapsed since collapse of the Berlin Wall with its confusion between democracy and new liberalism. African leaders did not say they wanted a totally unregulated market. They simply wanted one based on rules. That was what we called for, but all our wishes have been ignored.

Against this background violence stands as a symbol, which is why we need ethics – governance, in other words. The peoples and tribes of Africa have to be given a free hand towards “self-governance”, to be given the opportunity to voice their views and trust themselves. We need governance, but not so that foreigners can take advantage, come in and invest.

The last issue I would like to explore here is culture. Are we in Africa going to sacrifice culture? Unfortunately this animal called “globalization” is so huge that culture inevitably seems to be ignored or cast out into a different dimension. To us culture is of primordial importance.

To us culture is something that we can share with each other as a great asset. I have no inferiority complex. I can look straight into people's eyes. When I think about Mali, I think about our history. We have not lived in comfort, but we are "us", we all have this feeling of belonging to our society.

The one thing that is dangerous about globalization in this context is that we are constantly told that, unless we open our market, we will not be able to function in the world. The implication is that unless people are part of the free market, they should, and will, be excluded from society and cultural identity.

We do not even have a translation of the word "globalization" in Mali, and 90 per cent of the people do not understand what it is. Globalization belongs to the culture of other countries. For us, culture is about people. It is not about consuming things. Culture means caring about other people. And because of our solidarity with other people we have been able to continue to exist and live. Our culture forms our last safety net. The memory of our culture helps us to survive. We cannot allow this last resource to be destroyed by globalization.

In Africa we feel that we are in the "middle of the river" – we do not know whether to swim ahead to the other side or back to the bank we have left. We do not know whether or not we will be able to cross that river: we are in despair. However, one thing we do know for sure: there will be no peace unless the world shows more morality toward Africa, and unless people worldwide are ready to face their responsibilities.

In Africa we feel that we are in the “middle of the river” – we do not know whether to swim ahead to the other side or back to the bank we have left. We do not know whether or not we will be able to cross that river: we are in despair.

ANDREAS VAN AGT

Former Prime Minister of the Netherlands

Andreas van Agt was Prime Minister of the Netherlands between 1977 and 1982. Former government positions include Minister of Justice and Deputy Prime Minister. He has served as European Union Ambassador to Japan (1987-90) as well as Ambassador to the United States (1990-95). Academic positions include Professor of Criminal Law at the University of Nijmegen, the Netherlands (1968-71); Visiting Professor at Ritsumeikan University (1995-96) and at Kwansai Gakuin University (2001) in Japan; Chair Professor at the United Nations University's Institute of Advanced Studies. Professor van Agt is Doctor Honoris Causa of the University of South Carolina in Columbia (USA), Ritsumeikan University (Japan), Hansung University (South Korea), and Kwansai Gakuin University (Japan). He was awarded the Grand Cross in the Order of Oranje-Nassau (Netherlands) and received decorations of the same rank from countries such as Belgium, Cameroon, Denmark, Greece, Italy, Senegal, Spain, Sweden, Thailand and Japan. He is also Commandeur dans l'Ordre des Palmes Academiques (France).

IMMIGRATION, CULTURAL DIVERSITY AND HUMAN RIGHTS

This paper focuses on societal problems attendant on large-scale immigration because immigration is one consequence of the process of globalization and the emergence of multicultural societies raises various serious social challenges.

The Netherlands will be used as a case study, not because that country is as important as many of its inhabitants think but because it can be viewed as widely representative of a situation that exists in much of Europe. Approximately 10 per cent of the inhabitants of this small, but densely populated country are immigrant. They are people who come from abroad themselves and their children and grandchildren. As a matter of definition, the second and third generations shall be included here. Immigrants, people wishing to settle for ever or at least for a fairly long time in a country like the Netherlands are, for the most part, not refugees, but people who come from poor countries in search of better lives for themselves and their next-of-kin.

Their numbers grow steadily and speedily. Studies predict, to mention one example, that, by year 2015, the population of our four largest cities will be half Dutch and half immigrant. Up to quite recently the influx of immigrants had not raised much alarm or even considerable public debate. But the climate is changing, and changing not only in the Netherlands, but all over Europe. Opinion polls show that well over half of the citizens of Western Europe are now of the view that there are too many foreigners. Hence that bad word, "xenophobia". It is on the rise.

All over the world tensions arise in varying degrees – tensions between increasing cultural diversity in countries, on the one hand, and the perceived need to develop or preserve a national identity, on the other. In the Netherlands, and the same applies to other European countries as well, there has always been a consensus that forced assimilation should be rejected. Equality before the law, access to education and health care facilities, social security and welfare, these rights should not be made contingent upon the recipient opting for assimilation. The unfortunate fact remains, however, that those foreigners who strive for assimilation are, surprisingly, not the most successful. All too many immigrants, in fact, are not successful at all and fall by the wayside, so prompting growing concern about the emergence of an ethnic underclass. A majority of children of immigrants are lagging behind in language proficiency and cognitive development, while many of them drop out of school and enter society with no qualification. Unemployment and crime are rampant among ethnic minorities. In spite of all the efforts made to keep schools racially and ethnically integrated, segregation is actually increasing.

What should be done about all of this? Tolerance is a key word. Of course, public opinion researchers would find few people, in Holland or elsewhere, professing "intolerance". But what does tolerance really mean? Is it not basically an arrogant and demeaning notion? Arguably, tolerance is the notion of a dominant group allowing others to have deviant ideas and to practice different ways of life.

One can distinguish various types of tolerance, ranging from "no interference with others for the sake of peace", indifference and moral stoicism, to more active forms, such as genuine interest in, and respect for, other cultures. The highest form is accepting, or even encouraging, cultural diversity as an enrichment of society. Should our societies aspire to this highest form of tolerance and encourage cultural diversity? Should that be our aim in public policy? It has been public policy in my country for quite some time but, as I said, there is now some change of mind.

Some opinion leaders argue, and, unfortunately, there is something to it, that lavishing attention on sybaritic cultural identities is more likely to aggravate social inequality than to reduce it. In the Netherlands, public authorities are the first to fund schools, which are exclusively destined for children belonging to minority groups. We want to see mixed schools! As far as housing is concerned, the question being debated is, of course, whether and how the public authorities should stop or slow down the process of immigrant family clustering in ever-expanding numbers in city neighborhoods – a process that leads to the emergence of ghettos. So the lofty ideas about the blessing of cultural diversity, if consistently applied with regard to matters like education and housing, may well turn out unfavorably for the immigrants.

Then there is the question of language. Linguistic minorities have the right to use their own language. An international covenant even proclaims that right. But immigrants are unquestionably handicapped when they do not acquire a fair command of their host country's language. Our Government is spending lots of money in setting up language courses for immigrants. Unfortunately, immigrants show up only in small numbers and many leave the course without completing it. Hence the question: Should taking an official language certificate be made a prerequisite for obtaining citizenship and a passport? Or even: Should the acquisition of some language proficiency be a precondition for permission to stay on for a prolonged period of time? No-one, not even the most ardent advocates of cultural diversity, makes the case for legal pluralism. Almost everyone agrees with the principle that the law of the land should be enforced for all inhabitants without distinction. In the words of some commentators: "Tolerance should not degenerate into permissiveness". There is a prevalent belief that for any society to function properly, indeed to survive, "a set of fundamental values and norms ought to be respected and the observance thereof maintained". However, a question with no easy answer then arises: Which norms and values are to be considered fundamental in our multicultural society?

There is near unanimity when it comes to the contents of our constitution. The same goes for the Universal Declaration of Human Rights and the 1966 International Covenants on Civil and Political Rights and Economic, Social and Cultural Rights. Interestingly, Article 27 of the Civil and Political Rights covenant reads as follows: "In those States in which ethnic, religious or linguistic minorities exist, persons belonging to such minorities shall not be denied the right, in community with the other members of their group, to enjoy their own culture, to profess and practice their own religion, or to use their own language".

One can distinguish various types of tolerance, ranging from "no interference with others for the sake of peace", indifference and moral stoicism, to more active forms, such as genuine interest in, and respect for, other cultures. The highest form is accepting, or even encouraging, cultural diversity as an enrichment of society.

Let us focus on the words "minorities shall not be denied the right to enjoy their own culture". How wide-ranging are these words? The majority of immigrants in Western Europe are Muslims. In Islamic circles there is no acceptance, at least no general acceptance, of a complete separation between Mosque and State. Now, according to Islamic law, apostasy results in the dissolution of marriage, loss of parental control and annulment of the right to succession. Should the law of the land give way to this important cultural law? The doctrine of cultural relativism, which is spreading in the western world, ultimately dictates a positive answer to the question. But for all the lip service paid to this doctrine not many Westerners would be ready to accept such consequences.

We had the case of a shooting not long ago, in a secondary school, where Dutch and Turkish pupils intermingle. The young gunman was a Turkish student, commissioned by his family,

in accordance with Turkish custom, to take revenge on a fellow student, a Dutch guy, who was thought to have started an affair with the gunman's sister. A matter of honor had to be revenged. Fortunately, no-one was killed in the shooting but there were serious injuries. The case was brought before a criminal court, where no lawyer contended that Dutch law should give way to Turkish customary law. There were, however, strong arguments as to whether the punishment inflicted on the gunman should be markedly more lenient than if he had been a Dutchman. That is interesting enough. And what about female circumcision? There have been a few cases and turns out that it happens among immigrants? Which should prevail? Criminal law enforcement or respect for another culture? It is a dilemma that returns again and again. The same problem arises, of course, when a husband beats up his wife, as in some cultures he is entitled to do.

In today's world there are many conflicts related to cultural diversity. Cultural and ethnic minorities feel threatened in their existence and battle for some recognition. In his 1992 Agenda for Peace the Secretary-General of the United Nations stated "that it is impossible or at least unfeasible for every ethnic or religious or language group to be granted statehood". Of course, it follows that resolutions of actual or potential conflicts involving minorities should in most cases be found within existing states. Thus, a general recognition of cultural diversity is not just a matter of respect for human dignity, but also a requisite for the preservation of peace and security.

There are international scholars currently advocating that we should define – at least try to define – a set of basic rules or principles which states harboring diverse ethnic, cultural, or religious communities should obey and that these rules and principles should then be formalized as instruments of international law. This plea has to be endorsed strongly. No state – none – is prepared to embrace multiculturalism without restrictions or to accept illegal pluralism and its most extreme implications. I have tried to paint a picture of some of these extreme, but conceivable implications.

As a consequence, most countries currently stick to their own bodies of law, which are by definition expressions of their cultures, while allowing for some leeway for the foreigners living in their midst. So what remains are "pick and choose" policies. If we want to overcome such fragmented policies there is a firm need for standards to be set by international law.

No state – none – is prepared to embrace multiculturalism without restrictions. There is a firm need for standards to be set by international law.

TOMONOBU IMAMICHI

Director, International Centre of Philosophy, Japan

Tomonobu Imamichi is President of the International Society of Metaphysics and President of the International Research Association of Eco-ethica. He completed a B.A. (1948) as well as advanced studies in philosophy (1953) at the University of Tokyo. He was Professor of Philosophy at Kyushu University (1958-1962), and Professor of Philosophy and Aesthetics at the University of Tokyo (1962-1982). Professor Imamichi also taught philosophy at various universities in France, Germany and Italy. He was appointed Director of the International Centre of Philosophical Study in Tokyo (1982-present), and has been Professor of Philosophy at Eichi University (Japan) since 1996. Previous positions also include President of the International Society of Aesthetics (1982-1984), and President of the International Association of Philosophy, Paris (1996-1999).

THE EDUCATIONAL TASK OF PHILOSOPHY IN OUR CENTURY - Cultural Integration for World Peace

The century as a division of time is not an essential category for spiritual development, which is essentially related to eternity beyond historical time. Nevertheless, the "century" is, generally speaking, a very useful and convenient concept for identifying the principal changes, which have affected human history. I base this statement on my spiritual observation of the development of philosophy over the 300 years of the modern period, namely, from the beginning of the eighteenth century until the beginning of the twenty-first.

As is widely accepted, the eighteenth century was the Age of Enlightenment. The human intellect opened to the world around it, namely to the global horizon of cultural difference. Whether in the West, from the time of Marco Polo in the thirteenth century, or in the East with Nobunaga Oda, antipodean differences were subjects of astonishment, taken as admiration in the positive sense and contempt in the negative. Such passionate reactions prevailed till the end of the seventeenth century, before the eighteenth century transformed into themes of art, poetry and cultural study. As examples, we could enumerate the works of Fénelon, Locke and Goethe in the West, and Genpaku Sugita in the East. They were the precursors. Universities considered their work as educationally important subjects of study, because knowledge of cultures specific to geographical areas was considered not only personally enriching but also valuable for national politics. Accordingly, countries all over the world saw the emergence of specialists in foreign, far-distant, cultures.

In the twentieth century, the findings of these geographically focused studies broke free of their narrow specialist confines to become the subject of general, objective comparison. That century was the time of comparative studies of national cultures. In my opinion comparative studies should be enlarged and deepened along the lines of scientific investigation, because they have not yet achieved their most important objectives. Nevertheless, let us now single out the highest, ultimate objective of such studies as being cultural comparison itself. In the twenty-first century we must give comparative studies an entirely new purpose: that of incorporating knowledge and capacities of other cultures gained from comparative studies into one's native culture and considering it an indispensable complement thereof.

PHILOSOPHICAL EXPOSITIONS OF IDEAL EXAMPLES OF THE TASK OF THE TWENTY-FIRST CENTURY

I will now report on the results of a comparative study completed in the twentieth century for which I organized an international project team. I would like to mention first the problem of a new ethics for human beings in general. The human ethical dimension, in both East and West, can be symbolized as the stage of a classical play. On the stage there are actors in masks who perform persons speaking in responsible relationships to the other actors in masks who also perform persons.

In the West, otherness was extinguished while astonishingly deep thought went into considering that the person as the subject of a moral act was the central nucleus.

Therefore, two concepts, namely the person and responsibility, are indispensable for composing a stage drama as a symbol of human life. Concerning these two indispensable concepts for ethics, there is one crucial fact, which has been overlooked in the West. The term "person", as an indispensable word for a subject who carries out human acts, was prepared by Socratic philosophers in Platonic dialogues, before being principally formed from the persona of the early Christian philosophers in the patristic period. However, the word responsibility (*responsabilité* in French, *Verantwortung* in German) was not coined until 1787, a fact which Richard McKeon and myself discovered simultaneously in different papers. Naturally, one must say that before the conceptual crystallization of a virtue it is possible that the act of virtue in question already exists without a suitable name. Socrates, for example, performed his responsible act for the moral revolution of Athenian education. Nevertheless, if there is no concept for a moral relationship like responsibility, it is not possible to fully conceive regard for the other as correlative.

My observation was that "the other", or "alteritas", had been sucked into the concept of the object, very often losing its essential significance. Otherness was extinguished while astonishingly deep thought went into considering that the person as the subject of a moral act was the central

Without regard for other cultures as components of human culture we cannot aspire to true humanism, which is the principle behind world peace.

nucleus. The concept of otherness as essentially different from the object was formed by Martin Buber, Emmanuel Lévinas and Paul Ricoeur.

In this context, I would like to introduce the factual figure of the philosophical lexicon. There are two celebrated philosophical lexicons – those of Eisler and Lalande. In the Eisler first edition, published in the early twentieth century, the entry, Verantwortung, refers the reader to Zurechnung. And the Lalande, which dates back to the end of the nineteenth century, carries no entry under Responsabilité, while the revised edition at the beginning of the twentieth century features spares it two lines. Yet the mid-twentieth century editions of both lexicons carry detailed discussion, two- to three-pages long, of what by then was a most important concept. And in early 1960 (or thereabouts), Heinemann wrote “respondeo ergo sum” instead of the “cogito ergo sum” of Descartes.

In all existential philosophers responsibility is one of the most important ethical terms. In Western philosophy ethics has developed from the subjective nucleus of the persona to its relationship of responsibility to others. In the East the classical philosophy of Confucius and Mencius is as important as the Socratic-Platonic philosophy in the West. In the former there is no word for persona. There is, however, another very important word – gi. The letter representing this word is composed of a sheep in its upper half and by “I” in the lower half. The sheep symbolizes the sacred animal as victim of sacrifice to Heaven. The full meaning of this letter, therefore, is “I bring the sheep for sacrifice”.

In China the sheep is always the sacrificial animal, as is written in the Lun Yu, which includes Confucian dialogue. The letter gi means that I have been selected by my community as the bearer of sacrifice for Heaven. I am therefore horizontally responsible to my community and vertically to Heaven. Thus, gi is responsibility. Today, the term for dentures is gi-shi, that which is responsible for the function of teeth, while gi-soku means artificial legs – that which is responsible for the function of legs. Furthermore, gi is one of the most important virtues concerning relationships to others, including human beings and Heaven.

The Chinese word *gi* was introduced into the West in the eighteenth century. As the word “responsibility” had not even been coined the West in the first half of the eighteenth century and was not well known even by the end of the 18th century, the word *gi* was translated as “justice”. But “justice” in Chinese is *shang-gi*, namely “correct responsibility”. In the East the concept of *persona* only came into being with the encounter with Christianity in fifteenth-century Japan, but the Japanese could not find any suitable Japanese or Chinese word for it.

In the seventeenth century, Li Takugo in the school of Wang Yang Ming came close to it but without fully apprehending its real meaning. As for *wu*, it only denotes the *ur*-subject, which is far removed from *persona*. Finally at the end of the twentieth century, through a modern interpretation of Confucius and Tschuang Tschou, I myself analyzed the word *wu* as something containing the seeds of *persona* and of which the final form is to be found in the thought of Li Takugo.

In the East, then, there has been a general orientation in the development of ethics away from a relation to the other and towards the central nucleus of the subject. The conclusion, therefore, is that ethical concepts, which are indispensable, show opposite developments of equal quality in the East and West. We must consider each other and absorb each others’ good points in order to build up true humanism. That is our common educational task as we work for world peace. Without regard for other cultures as components of human culture we cannot aspire to true humanism, which is the principle behind world peace. That regard is the task of the twenty-first century.

HRH PRINCE EL HASSAN BIN TALAL

His Royal Highness Prince El Hassan bin Talal founded and is actively involved in a number of Jordanian and international institutes and committees. In Jordan he chaired the committees overseeing the first development plan 1973-1975, and subsequently the three development plans of 1976-1980, 1981-1985 and 1986-1990. Prince El Hassan chairs and is a member of a number of international committees and organisations. These include: President of the Club of Rome (1999); President of the Board of Directors for the Center for Peace Studies and Conflict Resolution at the University of Oklahoma International Programs Center, USA; Co-Chair of the Independent Bureau for Humanitarian Issues; Member of the International Board of the Council on Foreign Relations. Prince El Hassan was born in Amman in 1947, the youngest son of the then Crown Prince Talal bin Abdullah and Princess Zein El Sharaf bint Jamil, later King Talal and Queen Zein El Sharaf. He holds an M.A. in Oriental Studies from Oxford and several honorary degrees.

OUR SHARED VALUES - Letter

Dear Friends,

It is a matter of regret to me that I could not be with you at a meeting whose topic is so close to my heart. As my colleague in the Club of Rome, Professor Mircea Malitza has phrased it, we seek to live in one world with ten thousand cultures. If globalization is to have a human face, I hope that it will not turn out to be one single face cloned again and again, but six billion unique sets of features, each of which we each recognize and hail as the face of a fellow human being.

In our single world, I do not, personally, believe in the idea of a “clash of civilizations”. Yet, in media representations, in the unilateral use of force, and in the various shades of gray between “constructive ambiguity” and “destructive clarity”, we see today the causes and consequences of violent clashes between cultures.

Intercultural dialogue is not sufficient in itself to create peacefulness. However, intercultural dialogue is a necessary starting point if we are to discover, acknowledge and endorse the shared values that constitute our common ground. Our shared values, our common ground, have always been sacred and always recognized as the heart of each community. The great religions have inspired prophets throughout the ages to demand that justice, altruism, dignity and humility be respected and elevated above material gain and worldly power.

Any worldwide proposal, in order to have legitimacy for all concerned, must be related to various religious, cultural and legal traditions. If this can be done, globalization will not be perceived as a Western, or American, imposition on the rest of humankind. Globalization will be accepted as a way to modernize and enlarge each tradition while remaining faithful to its roots. By the same token, each tradition will discover that the challenges that human beings faced for centuries were met in more or less similar ways.

Different civil societies might be inclined to accept the other as a brother sharing the same ultimate destiny and not as a potential enemy or barbarian.

In doing so, different civil societies might be inclined to accept the other as a brother sharing the same ultimate destiny and not as a potential enemy or barbarian. At a recent meeting in Amman to launch the project "Partners in Humanity", we invited media representatives, dialogue centers, aid and development agencies and educational institutions to converse and plan new ways of improving the relationship between America and the Muslim world. It was an inspiring event and reminded us all that we are in good company when we work to create civilized frameworks for agreement and to discourage recourse to violence. Again and again we heard the idea that personal exchange and personal communication is the way to achieve our goals. Putting a human face on globalization might mean boosting exchange programs or it might mean learning how to use the media more effectively. In every case, it is necessary to keep in mind that we are not talking about dialogue between religions or dialogue between cultures, but dialogue between the adherents and inhabitants of religions and cultures.

El Hassan bin Talal

We are not talking about dialogue between religions or dialogue between cultures, but dialogue between the adherents and inhabitants of religions and cultures.

VI. THE WORKING
GROUPS'
DELIBERATIONS
ON CULTURE,
EDUCATION,
ENVIRONMENT AND
COMMUNICATION

PP.180-185

JOEL SHELTON, UNU

GLOBALIZATION AND CULTURAL POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

PP.186-191

SOISIK HABERT, UNU

GLOBALIZATION AND EDUCATION POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

PP.192-197

SERGIO PEÑA-NEIRA, UNU/IAS

GLOBALIZATION AND ENVIRONMENTAL POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

PP.198-203

BALTHAS SEIBOLD, UNESCO

MEDIA, COMMUNICATION AND GLOBALIZATION - Summary of the Working Group's Deliberations and Policy Recommendations

JOEL SHELTON,
United Nations University (UNU)

GLOBALIZATION AND CULTURAL POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

The working group on Globalization and Cultural Policy as a first step analyzed positive and negative effects of globalization on cultural diversity and policies in order to then give a set of balanced policy recommendations focusing on a broader definition of cultural policy and on international instruments for the promotion of cultural diversity. Members of the working group included: Kinhide Mushakoji, Professor, Chubu University, Japan (Chair), John Clammer, Professor, Sophia University, Japan, David Throsby, Professor of Economics, Macquarie University, Sydney and Robert Keating, Delegate General, General Delegation of Québec in Tokyo.

POSITIVE EFFECTS OF GLOBALIZATION ON CULTURE

Diversification of local cultures: The process of migration serves to enrich the culture as well as the dynamism of economic and political life in the receiving country.

Hybrid cultures: Among the positive effects that globalization has on cultural development is the emergence of interesting forms of hybrid cultures, such as the rise of new genres of fusion music inspired by numerous musical traditions that are not confined to one region. Instances of cultural hybridization also include Disneyland in Japan, Buddhism in Western countries, or the popularity of Indian cuisine in the United Kingdom. While originating elsewhere, such traditions are adopted and integrated into local cultural expression.

Education must aim to combine both the preservation of tradition and the creation of a positive attitude towards cultural diversity.

Strengthening of local cultural industries: The increased mobility that globalization brings about enhances the clustering of creative labor in a given local area, which in turn leads to employment creation in cultural industries. Moreover, the emergence, notably in developing country contexts, of local craft industries, together with other enterprises such as small-scale music recording and distribution, can result in economic and social development at the community level that provides employment and reflects local values and traditions.

NEGATIVE EFFECTS OF GLOBALIZATION ON CULTURE

Threats to local cultures from “global culture”: The proliferation of global cultural goods through information and communication technologies as well as the increased movement of goods and people across national – and cultural – borders places local cultures under strong competition. For a lack of resources and access to channels of distribution, local cultural production may be left in a weak position vis-à-vis global cultural industries.

Uneven access to cultural resources: While development policy is usually aimed at the promotion of economic growth and often results in a more equal distribution of material resources, little emphasis is placed on addressing the vast inequalities that globalization has created in terms of access to cultural resources, support for the arts, education in cultural skills, and distribution of knowledge.

Imbalance between the protection of cultural heritage sites and the needs of the local population: The development of tourism to cultural heritage sites can have negative effects on local economic and social structures: An example would be the displacement of local farmers with the construction of an archaeological “culture park” around the monument of Borobodor in East Java.

Threats to copyright protection: The rise of digital technologies, in particular, has led to increasing infringements on the copyrights of artists.

POLICY RECOMMENDATIONS

The recommendations discussed in the working group can be summarized under two broad issues: the need to arrive at a more inclusive definition of “cultural policy” that reflects the multiple linkages of culture with other aspects of societies, and the need to develop an international convention on the preservation and promotion of cultural diversity. With regard to the actors of cultural policy-making, some participants argued for a central role of the state, while others asserted the importance of civil society actors, stressing the importance of a combination of top-down and bottom-up approaches.

Broader definition of cultural policy: A key theme that emerged from the workshop concerned the need to expand the concept beyond the narrow focus on governmental support of the arts and cultural activities – although it was agreed that this was an important aspect of governmental support for cultural activities – to encompass broader social and economic dimensions:

- Clarification is required of what is to be considered “cultural,” and what kinds of cultural policy are required for specific target groups;
- The purpose-specific goals of cultural policy must be made explicit;
- As cultural policy is often divorced from cultural analysis, cultural education and broader concerns with development, a need exists to recognize the multidimensional nature of culture and aim for a holistic understanding;
- Definitions and applications of the term “culture,” and, based on them, cultural policy, need to take into account the gender, class, and age dimensions that come to bear on culture;
- The development of cultural policy needs to be linked to human security, involving a compassionate and ethical approach that would stress the multiple identities of peoples, and involve a global alliance of key actors such as nation states, regional organizations, NGOs, and those who are directly affected by particular policies.

International convention on the preservation and promotion of cultural diversity: The working group recognized that active public support was needed for the protection and promotion of both majority and minority cultures, and that commercial logic should not be applied de facto to the cultural sector. It welcomed the efforts of Quebec and several other governments which have established the International Network on Cultural Policy (INCP), which is a coalition of nearly fifty countries that is currently preparing a binding international convention that would enshrine the preservation and promotion of cultural diversity in the form of specific policy instruments at the international level:

- The convention would call for state funding and protection for domestic cultural industries, as home markets are often too small for them to remain viable otherwise;
- It would forbid countries from closing the door on foreign cultural products;
- It would be designed not to allow abuses of power to be committed under the cover of so-called cultural practices: The exercise of cultural rights must be subservient to that of the human rights as defined in the United Nations Charter, the Universal Declaration on Human Rights and other internationally recognized human rights instruments;
- It should contain specific provisions favorable to cultural industries in developing countries to correct imbalances that exist between developed and developing ones;

- To ensure its effectiveness, the convention would include mechanisms to promote its implementation, settle disputes, and make sure that it is respected and its decisions are transparent.

Pointing out that the cultural objectives of the convention would be well within UNESCO's vocation and competence, members of the working group suggested that UNESCO could be charged with the implementation of the convention once it had been internationally accepted. Another proposal called for a two-tiered approach: the first tier would be concerned with specific, target-based, and legal-type issues at the international level and would include specific monitoring mechanisms, while the second would involve the creation of a process of dialogue about global cultural policy. The second tier would thus serve to address long-term issues not treated in the convention, such as the legacy of slavery or the universal applicability of human rights law.

The development of cultural policy needs to be linked to human security.

SOISIK HABERT,
UNU

GLOBALIZATION AND EDUCATION POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

The working group on Globalization and Education Policy concluded that the role of education under globalization is to prepare people to deal with the changing world we live in and to empower them to cope with all the different aspects of globalization. Hence, education has to foster the comprehension of others and to promote the feeling of being part of the world at large. In this regard, it is of crucial importance to support comparative thinking and to broaden curricula to better reflect global cultural diversity. Education, however, must also take account of past positive achievements of the different parts of society: societies must not lose their traditions, history and culture in the process of opening up to other cultures. Education must promote both a thorough understanding of the society we live in and of other cultures.

The working group discussions were based on the following definition of "education":

"Education is the sharing of knowledge, skills, expertise and traditions that not only supports local, regional, national and international needs but also provides participants in the education relationship (students, teachers, community etc.) with the tools to participate in the creation, improvement, questioning, and continuation of the above mentioned sharing of knowledge, skills, expertise and traditions".

Education should thus be seen as a vital contributor to community-building by supporting each individual community member to develop their potential and to become fully socialized. In this regard, it is important for schools to develop partnerships with communities. The recent focus given to partnerships with business corporations appears to be questionable and must not become predominant.

With regard to "globalization", the working group agreed that it should not be seen exclusively as an ideology based on market expansion, but rather that globalization is about societies that are in a process of opening up. The economic aspects of globalization in this context should be seen as enabling factors for education.

As was stated in the group: "When reflecting on the changes brought by globalization, we realize that they mainly and firstly refer to a change of vision: relativism, organized around the conviction that 'we know better than others', needs to be replaced by the conviction that 'others may have better solutions, which we should acquire and surpass'. Secondly, they refer to changing the content of education: 'learning contents' should be from now on subordinated to 'learning to learn'."

Members of the working group included: Andrei Marga, Rector, Babes-Bolyai University, Romania (Chair), David Loy, Professor, Bunkyo University, Japan, Masayuki Inoue, Senior Deputy Director-General, Science and Technology Policy Bureau, Ministry of Education, Culture, Sports, Science and Technology, Japan and Goolam Mohamedbhai, Vice-Chancellor, University of Mauritius. Follows the working group's analysis of the positive and negative effects of globalization on education and the resulting policy recommendations.

POSITIVE EFFECTS OF GLOBALIZATION ON EDUCATION

Further development of education: Globalization gives impetus to the improvement of educational systems

- through easier access to information about approaches to education in other countries;
- through the introduction of competition in education.

Reduction of knowledge gaps: Through the introduction and diffusion of advanced resources (methodologies, information technologies, logistics, etc.), globalization has improved access to knowledge, which helps to upgrade educational content on a broad scale.

Reduction in education cost: Globalization gives impetus for higher efficiency in education

- by encouraging educational institutions, in particular universities, to function as corporate, entrepreneurial entities with regard to their organizational practices;
- by enabling a further expansion of distance learning approaches.

Education must aim to combine both the preservation of tradition and the creation of a positive attitude towards cultural diversity.

Developing and developed countries share responsibilities in the promotion of education as part of the development process.

NEGATIVE EFFECTS OF GLOBALIZATION ON EDUCATION

Higher Education as a commercial product: Higher education is increasingly being considered as a commercial product. To determine whether this result of globalization has a positive or negative impact on higher education, however, it is necessary to consider the context under which universities have become an object of interest for the private sector. For some decades, universities have been under high pressure to increase their enrollment rates while facing static or decreasing public funding. As a consequence of this financial crisis, universities have started to turn to the private sector as a possible new source of funding. As a result, higher education has become a product, a private rather than a public good – both in developed and developing countries. The stronger focus placed on profit-making has transformed the reality of universities: to some extent, the privatization of higher education may contribute to increasing social divisions by limiting access for poorer students. Commercially defined priorities at universities may also result in a de-emphasis of issues of global concern, such as sustainable development, in universities' research and teaching agendas.

Focus on the economy and consumption: With global markets being important – although not the only – driving forces of globalization, there is a trend to over-emphasize economic issues and to define matters of everyday life in economic terms: Consumerism tends to guide our social and political activities. As a result, the rationale of education is often reduced to the training of people to become producers and consumers of material goods.

Brain drain: Global recruitment and the concentration of material resources at selected developed country institutions, in particular in higher education, encourages the relocation of developing country educators and scientists, thus weakening academic institutions in developing countries.

POLICY RECOMMENDATIONS

Globalization has changed the environment for education policy-making on all levels – local, national, regional and international. Education policy makers are facing new requirements on the substance of education, on its delivery, on funding structures. When considering education policy-making today, it is of crucial importance to recognize that education is a public good. And as a public good, education should be perceived as the joint responsibility of governments and civil society.

Changing requirements on the substance of education: In order to adequately prepare people to cope with, and profit from, globalization, education should focus on problem-solving rather than merely the acquisition of knowledge. Curricula should also place more emphasis on enhancing communication skills and cultural awareness through the teaching of foreign languages, exchange programmes for students and teachers as well as training in the use of information and communication technologies. Moreover, it is important for education to create passions in order to reverse the consumerism attitude that is becoming predominant in countries around the world. Teaching curricula should include sustainable development issues and environmental education to make consideration for sustainability a core part of value systems worldwide.

Strengthening social cohesiveness in a heterogeneous society while preserving cultural diversity: Education must aim to combine both the preservation of tradition and the creation of a positive attitude towards cultural diversity. Education is the primary vehicle for the construction of national identity; however, such identity construction must not build on negative images of other nations or cultures in order to avoid the creation of chauvinistic or antagonistic attitudes towards other countries and cultural groups.

Participatory approaches to curriculum development: Civil society plays an important role in education policy making. Local communities, civil society organizations, parents and students must contribute to developing curricula that, firstly, make education more attractive and, secondly, enable students to acquire values that are not solely focused on consumption but include curiosity and openness towards other societies and cultures.

“Learning to learn”: Education should equip people with the skills to obtain and evaluate knowledge and information, rather than focus on the delivery of specific items of knowledge. To do so, education, at all levels, should center on the learner, utilize participatory and experiential learning within the natural and social environment, and encourage comparative thinking.

Learning across borders: To broaden the outreach of educational programmes, it is important to strengthen distance learning and to facilitate learning across borders. To assist the latter, international cooperation in the accreditation of educational programmes will have to be strengthened.

Diversified funding: It is important to have plural funding sources. The private sector should not acquire a predominant role, nor should the state budget be the sole source of funding for education. Quality, fairness and accessibility should be the guiding principles when developing funding schemes for education at all levels. With regard to higher education, care should be taken that universities' autonomy is protected.

Development cooperation in education: In analyzing the impact of globalization on educational policy, it is important to recognize that developed and developing countries have different educational needs and concerns that require distinct solutions. It should also be borne in mind that educational policy is dependent as much on the level of economic development as on political will. Developing and developed countries share responsibilities in the promotion of education as part of the development process. The former must identify education as a political priority; the latter should support efforts made by the former to upgrade their education systems. Both developing and developed countries can assist each other in improving education. Developed countries and the international community can cooperate in the provision of the knowledge infrastructure necessary to create effective policy in developing countries, while developing countries can help bring back a sense of community-building lost in the more "modernized world". Promoting concepts such as "education for development" can further enhance this cooperation.

Involve the multilateral system: The international community can contribute to a meaningful development of education under globalization in a variety of ways:

- By providing a forum for joint action in the areas of curriculum development; regulation, specifically with regard to the accreditation of educational programmes; and tools for quality control and evaluation;
- By stimulating research on the linkages between globalization and education;
- By facilitating comparative studies of educational systems to identify best practices, in particular with regard to preserving tradition while encouraging a positive attitude towards cultural diversity; and
- By supporting international cooperation in reforming education systems.

SERGIO PEÑA-NEIRA,
UNU/IAS

GLOBALIZATION AND ENVIRONMENTAL POLICY - Summary of the Working Group's Deliberations and Policy Recommendations

The Session on Globalization and Environmental Policy addressed the challenges of environmental policy in a globalized world. The working group discussed the impact of globalization on environmental standards and the relation between the social, natural and economic dimensions of environment. Key may be a new balance between the various stakeholders at the global, regional, national and local levels. To reach this goal it was suggested strengthening the resolutions of international organizations in the field of environmental policy by including binding agreements. Also, the project of an international scientific panel was raised which would better address the urgent necessity for scientific information by policy-makers at the international as well as the national level. Finally, another main proposal made was the creation of an international financial mechanism for global public goods as an effort to finance policies related to the environment.

It was proposed that the international community had to focus on poverty eradication in order to base international environmental policy on effectiveness and equity. This idea could be implemented through assistance for poverty eradication and environmental policy within developing countries and by having OECD countries emphasize the right to development and property rights on natural resources for people. This includes the reconfirmation of the Millennium Development Goals, particularly the five priorities put forth by the Secretary-General of the United Nations in the W.E.H.A.B. initiative: Water, Energy, Health, Agriculture and Biodiversity.

The working group defined environmental policy as all measures related to the preservation of the natural environment and the sustainable use of natural resources and to their development and implementation by governments, inter-governmental organizations and civil society groups on the local, national, regional and international level.

Members of the working group included: Wakako Hironaka, Member, House of Councilors, Former State Minister and Director General of the Environment Agency, Japan (Chair), Jan Pronk, Professor, Institute of Social Studies, The Hague, and Former Minister of Development Cooperation, the Netherlands, A.H. Zakri, Director, United Nations University

Institute of Advanced Studies, Co-Chair, Millennium Ecosystem Assessment and Ryokichi Hirono, Professor Emeritus, Seikei University, Japan.

POSITIVE EFFECTS OF GLOBALIZATION ON ENVIRONMENTAL POLICIES

Emergence of a global civil society: In many countries the strength of environmental protection is linked to a vibrant civil society. Thus the current globalization of civil society might help to stop environmental degradation by fostering a lobby for poverty eradication, a reinforced sense of responsibility, education for sustainable development, by advocacy and increasing pressure on all actors to come to a binding multilateral environmental agreement.

NEGATIVE EFFECTS OF GLOBALIZATION ON ENVIRONMENTAL POLICIES

Division between rich and poor in the developing and developed world. It was stated that this division was mainly due to an unequal distribution of wealth and gaps in participation in environmental decisions between societal groups. A series of poverty indicators, particularly with regard to economic and educational situations, have to be examined to understand their negative impact on environmental policies. The reality of countries in Africa and Asia shows, for example, that in countries where the literacy rate is not higher than some thirty percent, where primary health and sanitation is zero percent and the per capita income is less than US\$100 hundred dollars per month, one cannot talk of the implementation of sound environmental policies.

Population growth: The demographical evolution worldwide calls for a serious debate. Population is an asset as well as a problem in poor countries. Big populations can create instability and non-sustainable use of natural resources. Ultimately population stabilization may be necessary in the light of environmental and social sustainability. This should be driven by incentives for a demographic change and not by restrictions. The core concept of sustainable development, it was argued, will not allow this change because the concept is related to people. Birth control, for example, was used during the Industrial Revolution and it failed. On the other hand, the decrease in population in countries with high incomes poses serious problems for social systems such as public welfare and pension schemes.

One cannot talk of the implementation of sound environmental policies in countries with extreme poverty.

Unfair levels of consumption: While the negative impact of environmental degradation tends to spread globally, the underlying causes such as over-consumption of resources and energy are concentrated in a small number of industrialized countries. More justice is needed between these over-consuming "minorities" in industrialized countries and under-consuming "majorities" in the developing world. The main issue is to achieve justice for all in a context of human security. It is necessary to increase human security by meeting certain basic needs like clean water for all. To achieve fairness it is necessary to think in long-term policies. In this context the Millennium Ecosystem Assessment was seen as one of the most interesting initiatives for achieving fairness. Universities as well as NGOs could help in the process, as explained below in the set of policy recommendations put forward by the working group.

POLICY RECOMMENDATIONS

Better links between poverty eradication and environmental protection: Development assistance has to integrate poverty eradication and environment policy worldwide. OECD countries, in particular, should recognize the right of development, property rights and property rights on natural resources of people in developing countries.

International Financial Mechanism for Global Public Goods: This proposed international mechanism would finance research and the protection of global public goods and include the possibility of controlling the exploitation of certain goods for a beneficial purpose and the preservation of the respective resources. In general, more attention has to be drawn to the issue of global public goods such as water.

A new balance between market mechanisms and public provision: The danger always lies in the tensions between privatization, community rights and public provision, as can be seen in growing conflicts over water.

Change in the middle classes' behavior: Worldwide, a change of middleclass patterns of behavior is urgent to contain the over-consumption of natural resources by "global minorities". All countries need to prepare their economic policy on the basis of specific environmental targets. It is necessary to base these policies increasingly on the precautionary principle.

Diminution of subsidies: The linkage between international trade, domestic economic policies and natural resource consumption has to be emphasized. A diminution of subsidies is urgent to avoid over-utilization of resources, particularly agricultural products. In this connection, it would be necessary to change public sector perceptions.

“Millennium Ecosystem Assessment”: One additional recommendation concerned the Millennium Ecosystems Assessment (MEA) and its methodology, as well as some provisional results connected with this United Nations initiative. The main point is to assess the ecosystem through a methodology of condition, scenario and responses. At the regional and national level it was emphasized that the MEA could help to understand how international measures can affect the national environmental situation, particularly in the case of developing countries with large populations.

International Scientific Panel: One participant of the working group considered the idea of an international panel of advisors on scientific issues. The scientific credibility of the panel would create a framework for an international environmental agency. Probably the best alternative is to approach the National Academy of Sciences and to find a way to work as a consortium.

Environmental Security Council: The idea of an Environmental Security Council was advanced by some of the participants in the working group. An Environmental Security Council would deal with environmental, social as well as economic issues. Questions were raised over the geographical representation of developing countries in this agency. It was argued that it would be necessary not to repeat the often-criticized model of the UN Security Council. This new agency could address topics such as the enforcement of international decisions, international environmental disputes, international discussions related to new environmental issues and compel multinational companies to abide by set rules regarding economic and environmental issues. The idea of binding decisions would be interesting for developing countries and should therefore have their support. This agency would also be useful in establishing international standards and enforcing their implementation at the local level. It could have reduced veto rights as an option and would have permanent and non-permanent members.

More justice is needed between over-consuming “minorities” in industrialized countries and under-consuming “majorities” in the developing world.

BALTHAS SEIBOLD,
UNESCO

MEDIA, COMMUNICATION AND GLOBALIZATION - Summary of the Working Group's Deliberations and Policy Recommendations

Is the mediatization of the world driving globalization or is globalization driving its media-tization? The working group on Media, Communication and Globalization analyzed this question in order to find policy responses that would make media work for "Globalization with a Human Face".

In fact, the two phenomena are closely interrelated. On the one hand, media and modern information and communication technologies (ICTs) like the Internet are among the most powerful engines of globalization. They transport information all over the globe with the speed of light rendering distance irrelevant. They mainstream global agendas in remote places and strongly shape our perception of the world and its globalization. On the other hand, it is the process of globalization that forces deep changes upon media players, audiences and technological choices. In fact, globalization fuels two parallel and adverse trends. It both internationalizes and localizes media ownership, content and audience, leading to a "glocalized" media landscape that feeds globalization and is fed by it.

Members of the working group included: Andrew Horvat, Japan Representative of the Asia Foundation, Hatsu-hisa Takashima, Press Secretary, Ministry of Foreign Affairs of Japan (chairs), Masahiko Ishizuka, Managing Director, Foreign Press Center, Tokyo, Javad Mottaghi, Director, Asia-Pacific Institute For Broadcasting Development (AIBD) Gillian Tett, Financial Times and Shunsuke Suzuki, Director, Association of Medical Doctors of Asia (AMDA), Japan.

The working group identified four major positive effects of globalization on media and communication.

Global media outlets tend to neglect local productions and content.

POSITIVE EFFECTS OF GLOBALIZATION ON MEDIA AND COMMUNICATION

Global reach: A large and growing part of the world population can increasingly easily obtain information about a variety of topics and happenings around the world. It is the Internet that has made it possible, at least in the industrialized world, to read a Finnish newspaper in Japan, to know about the weather forecast of a small French village in New York, or to send billions of euros from one point to another. No other medium has ever reached its audience as quickly as the Internet. Of course, this is not true for the entire world, as many people, especially in the developing world, still rely more on traditional mass media such as radio and television, if they are available at all. This growing inequity, the digital divide, will be addressed when analyzing the negative effects of globalization on communication.

New global body of information: New information technologies such as the Internet help us to know much more about "the other" than we did just a few decades ago. The new global body of mediated knowledge present in the minds of many people could be seen as a first and important step towards higher levels of understanding, dialogue and tolerance.

Easy distribution is related to the revolution within technology. Digitalization of all media and communication content is leading to easier, faster, cheaper and more effective creation and distribution of media.

Larger choice: Digitalization can translate into more choice. The most frequently cited example is the proliferation of (international) TV channels through digital satellite and cable technology and the diversity of websites on the World Wide Web. This choice is often a consumer choice, but can also morph into a political choice. New channels or websites increasingly often play a role in balancing government-controlled state media or circumventing censorship. However, a greater choice does not necessarily mean a greater diversity of media content or adequate quality. In fact a negative version of globalization may work against both diversity and quality. The working group summarized such phenomena in seven major negative effects of globalization on media and communication.

NEGATIVE EFFECTS OF GLOBALIZATION ON MEDIA AND COMMUNICATION

Concentration of ownership: Unregulated globalization and liberalization may lead to fewer and, at the same time, more powerful media providers on a world scale. This process of concentration of media ownership has been observed in recent decades on a national level, and has been partly contained by legislative frameworks. Now, it is spilling over on a worldwide scale with

the internationalization of media ownership. This can lead to a de facto reduction in the diversity of content often referred to as a "one-way road" of information or entertainment offer, and it may even threaten freedom of expression.

Sensationalism: This phenomenon is often associated with a certain style of sensational entertainment content featuring "sex and violence" as main attractors of attention. While discussing this issue, the working group concluded that it is very difficult to judge the cultural dimension of such attractors of attention.

Local blindness: Blindness to local content and talent is another noteworthy trend. Global media outlets tend to neglect local productions and content. That is not only true for push-media such as global TV news channels, but also for the seemingly user-centered Internet. A farmer in India, for example, can easily check the weather forecast of New York via the Internet, but he will not find the forecast for his own district in India.

Global agenda setting: The more unified global media content becomes the more it may be able to set a global agenda. That might lead to a situation where media are increasingly able to influence, change or lead public opinion on issues worldwide. This could give media players the power to dramatize, to glorify, or to demonize specific actors, thereby influencing the political world game.

Only a large mix and diversity of players including private, public and community media are able to create a vibrant and engaging global media scene reflecting the world's diversity.

Marginalization: The fact that today's media and communication style is increasingly set by global players may also lead to the marginalization of entire societies from the international public arena. The prevailing international media news code is heavily influenced by the Anglo-Saxon way of communicating, which can be characterized by competition for the latest piece of news, short and easily comprehensible messages aimed at people with different cultural as well as educational backgrounds, and a strong focus on the individual. If other media and news systems are not capable of, or not willing to adopt, that style, they may be less able to get their

message across effectively on the world stage. One example mentioned in the working group was that Japanese society finds it hard to deal with the communication style found in the Anglo-Saxon media. Such a failure to engage more effectively with the international media might undermine the ability of entire cultures to relay their messages to a global public.

Digital divide: The digital divide poses another threat to a world trying to achieve free flow of information for all. The gap in access to media and communication is widening especially amongst the rural poor in developing countries. Participants of the working group agreed that the World Summit on the Information Society (WSIS) would have to find effective ways of dealing with such negative aspects of globalization in world communication.

Growing distrust: WSIS will also have to deal with a trend that speakers of the working group described as the growing distrust of parts of the public towards commercial media. Reasons for these doubts include media not reporting on marginalized groups, spinning news, or providing poor-quality war coverage.

POLICY RECOMMENDATIONS

The key question was how to foster the positive effects of globalization for the good of the media and how to counterbalance the negative ones. In other words, how to ensure that media and communication operate in a democratic manner, stimulate development and create and maintain adequate diversity?

Create and maintain a mix of media players: It was suggested “do not trust anyone when it comes to the question of who should decide media content”. The working group agreed that neither the government, the private sector, civil society, nor the public alone would be able to ensure media freedom and content diversity. Only a large mix and diversity of players including private, public and community media are able to create a vibrant and engaging global media scene reflecting the world’s diversity. Different types of media organizations and ownership models could be fostered to encourage a plurality of sources and operating modes. Some members of the working group felt that such a system of checks and balances could also include a set of rules that limit media ownership.

Foster public broadcasting: The working group recommended promoting and strengthening independent public broadcasting systems worldwide. Key pillars of such a strategy are to give the public broadcasting systems autonomy in content creation, financing and management. This would enable them to promote quality content, local talent and cultural diversity as well as to address marginalized parts of society such as young people, women and minority groups, who may be neglected by private players in the field.

Teach audience to access, choose and judge content: Globalization has made media systems and media messages more complex. That challenges the ability of many people to access, receive, assess, understand and use content. Therefore, education systems and civil society should enhance the level of audience media literacy, especially by empowering children to access, choose and judge media contents.

Enhance communications between the United Nations and society: The Millennium Development Goals (MDGs) marked a significant international commitment to development and poverty eradication. World leaders agreed on a set of specific measurable and time-bound targets and commitments. However, outside the development community, knowledge of the Millennium Development Goals and the current status of their implementation are largely unknown. Media and communication technologies could have an important role in raising these issues. Therefore, the working group emphasized the urgent need to enhance the capacity of actors such as international organizations or civil society to deliver strong public relations campaigns in crucial areas such as the Millennium Development Goals.

Support independent media in conflict and post-conflict situations: In conflict and post-conflict situations, it is very difficult and, at the same time, crucial to gather and disseminate non-partisan information. Therefore, the international community should support independent media in countries afflicted by or emerging from conflict by providing technical assistance and legal advice.

Strengthen international cooperation in the field of media and communication: The recommendation is to think about ways to enhance the impact, visibility and outreach of international cooperation such as sharing good practices, raising awareness and providing training in the field of communication and journalism. The international community should think about new ways to combine its efforts to tackle the challenges of creating "media and communication technologies benefitting all" in a globalized world.

VII. ANNEXES

PP.206-211

PROFILES OF CONTRIBUTORS

PP.212-216

UNESCO

EXTRACT ON GLOBALIZATION FROM UNESCO'S MEDIUM-TERM STRATEGY (31 C/4) :

UNESCO contributing to peace and human development in an era of globalization through education, the sciences and communication - the global setting

PROFILES OF CONTRIBUTORS

Eduardo ANINAT

Former Deputy Managing Director, International Monetary Fund (IMF)

Eduardo Aninat is former Deputy Managing Director of the International Monetary Fund (IMF). Among other duties, he headed the work of the IMF for the Monterrey Summit on Financing for Development of the United Nations. Prior to joining the IMF, Dr. Aninat was Chile's Minister of Finance (1994-99) and served as Chairman of the Board of Governors of the IMF and the World Bank (1995-96). He was then a member of the Development Committee of the World Bank/IMF representing several countries in Latin America. He has served on the Commission on Macroeconomics and Health and is a Commissioner for the United Nations Development Programme's Committee on Private Sector and Development. Dr. Aninat was also the President of the Social Equity Forum (SEF) for the Inter-American Development Bank. He holds a Ph.D. in economics from Harvard University and has taught at several institutions, including Boston University. He is currently Professor and Economist-Consultant at Universidad Catolica de Chile.

Hans D'ORVILLE

Dr. Hans d'Orville has been Director of the Bureau of Strategic Planning at UNESCO, Paris since October 2000; prior to that he served from 1996-2000 as Director of the Information Technologies (IT) for Development Programme of the Bureau for Development Policy of the United Nations Development Programme (UNDP); since 1975 he has held various posts in the United Nations Secretariat and UNDP. These include Secretary of the UN Committee on Conferences and Senior Officer in the Office of the UNDP Administrator with responsibility for UNDP's Governing Council; between 1987 and 1995, Executive Coordinator of the InterAction Council of former Heads of State and Government; member of the Executive Committee of the Africa Leadership Forum; advisor to the Independent Commission of Population and Quality of Life and the Independent Commission on Forests and Sustainable Development. He is the author of numerous publications on the UN, general development and African issues and holds a Ph.D. and an M.A. in economics from the University of Konstanz, Germany.

HRH Prince EL HASSAN BIN TALAL

His Royal Highness Prince El Hassan bin Talal founded and is actively involved in a number of Jordanian and international institutes and committees. In Jordan he chaired the committees overseeing the first development plan 1973-1975, and subsequently the three development plans of 1976-1980, 1981-1985 and 1986-1990. Prince El Hassan chairs and is a member of a number of international committees and organisations. These include: President of the Club of Rome (1999); President of the Board of Directors for the Center for Peace Studies and Conflict Resolution at the University of Oklahoma International Programs Center, USA; Co-Chair of the Independent Bureau for Humanitarian Issues; Member of the International Board of the Council on Foreign Relations. Prince El Hassan was born in Amman in 1947, the youngest son of the then Crown Prince Talal bin Abdullah and Princess Zein El Sharaf bint Jamil, later King Talal and Queen Zein El Sharaf. He holds an M.A. in Oriental Studies from Oxford and several honorary degrees.

SOISIK HABERT

UNU

SEUNG-SOO HAN

Member of the National Assembly and former Minister, Republic of Korea, President of the fifty-sixth session of the United Nations General Assembly

Seung-soo Han holds a B.A. in politics from Yonsei University, an M.P.A. from Seoul National University, and a Ph.D. in economics from the University of York. In 1988, he became a Member of the South Korean National Assembly, a position he has held continuously except for the period between 1992-1996. Dr. Han was President of the fifty-sixth Session of the United Nations General Assembly (2001-02). In the Republic of Korea, he served as Minister of Foreign Affairs and Trade (2001-02); Deputy Prime Minister and Minister of Finance and Economy (1996-97); Chief of Staff to the President (1994-95); Korean Ambassador to the United States (1993-94); and Minister of Trade and Industry (1988-90). Academic positions include: Professor of Economics, Seoul National University (1970-88); Research Officer, Department of Applied Economics, University of Cambridge and Emmanuel College, Cambridge, England (1968-70); and Lecturer and Fellow in Economics, University of York (1966-68). He was a Visiting Professor in the Department of International Relations at the University of Tokyo (1986-87) and Senior Fulbright Scholar in the Department of Economics at Harvard University (1985-86). Dr. Han is the recipient of several honorary degrees, and has published works such as *The "New" Theory of Economic Policy*, *The Theory of Economic Policy*, and *The Health of Nations*.

DONGCHENG HU

Vice-Chancellor, Tsinghua University, China

Dongcheng Hu is Professor of Automation and Vice-President of Tsinghua University in Beijing, China. He graduated from the Department of Electrical Engineering in 1970, and was a visiting scholar at Technical University in Munich, Germany for two years. He was promoted to Professor in 1990 and then became Chairman of the Department of Automation; he later headed the Graduate School. Currently, Professor Hu is also Dean of the School of Continuing Education. As Vice President, he is responsible for international relations as well as the interdisciplinary development of humanities and social sciences and the information infrastructure of the university. Social and professional positions include: Council Member of the Chinese Association for International Understanding and the Chinese Association for Overseas Exchange; Board Director of the China Education Association for International Exchange; Chairman of the Distance Education Society, China Higher Education Association; and Chairman of the Education Committee, China Automation Association.

YASUKO IKENOBO

Yasuko Ikenobo was the Parliamentary Secretary of Education, Culture, Sports, Science and Technology with the Ministry of Education, Culture, Sports, Science and Technology of Japan (MEXT) from January 2001 to September 2003. She is also a member of the Japanese House of Representatives.

TOMONOBU IMAMICHI

Director, International Centre of Philosophy, Japan

Tomonobu Imamichi is President of the International Society of Metaphysics and President of the International Research Association of Eco-ethica. He completed a B.A. (1948) as well as advanced studies in philosophy (1953) at the University of Tokyo. He was Professor of Philosophy at Kyushu University (1958-1962), and Professor of Philosophy and Aesthetics at the University of Tokyo (1962-1982). Professor Imamichi also taught philosophy at various universities in France, Germany and Italy. He was appointed Director of the International Centre of Philosophical Study in Tokyo (1982-present), and has been Professor of Philosophy at Eichi University (Japan) since 1996. Previous positions also include President of the International Society of Aesthetics (1982-1984), and President of the International Association of Philosophy, Paris (1996-1999).

SERGEY KAPITZA

Academician and Vice-President, Russian Academy of Natural Sciences

Sergey Kapitza is currently Vice-Rector (Science) of the Russian New University. He holds Ph.D. (Physics) and D.Sc. degrees from the Joint Institute for Nuclear Research (Dubna). He was Senior Scientist and Head of Laboratory at the Institute for Physical Problems at the Russian Academy of Sciences (RAS) between 1953 and 1992, and has been Senior Scientist at the RAS Institute for Physical Problems since 1992. In 2002, he assumed the post of Vice-Rector (Science) of the Russian New University. Dr. Kapitza has also held academic posts at the Moscow Institute for Physics and Technology where he was Docent (1956-65) and Full Professor and Chair of Physics (1965-1998). He has also held numerous scientific offices, including Vice-President of the Committee of Soviet Scientists for Global Security, 1983-92; Vice-President of the Academy of Natural Sciences of Russia, 1990; President of the Physical Society of USSR, 1989-92; and Member of the World Commission on Culture and Development (since 1996). He is the author of numerous publications on science and public matters of science, holds several patents, and is the recipient of several science-related awards from organizations such as UNESCO and the Russian Academy.

AKIRA KOJIMA

Senior Managing Director and Editor in Chief, Nihon Keizai Shimbun (NIKKEI), Japan

Akira Kojima is Senior Managing Director and Editor in Chief of NIKKEI (Nihon Keizai Shimbun). He is also Fujita Chair Professor at Keio University's Graduate School of Business and Commerce; Member of the Trilateral Commission; Councilor, Japan ASPEN Institute; and Advisor for the Cabinet Office of Judicial System Reform. Publications include: *The Changing Context of U.S.-Japan Relations* (with co-author Don Oberdorfer), 1998; *Japan in Transition--A Global Perspective* (Special Edition of the *Journal of Japanese Trade & Industry*), 2003; and *Development Theories Challenged by China and Other New Factors*, in the *Journal of Social Science*. Mr. Kojima is a recipient of the Japan Newspaper Publishers' Association Award (1978), Japan Press Club Award (1990), and the Vaughn-Ueda International Journalist Award (1989).

KOICHIRO MATSUURA

Director-General, United Nations Educational, Scientific and Cultural Organization (UNESCO)

Koichiro Matsuura was elected the eighth Director-General of UNESCO in 1999, and was the first of Asian origin (Japanese). He studied economics and law, first in Japan at the University of Tokyo, and then in the United States. He held several diplomatic posts with the Japanese Ministry of Foreign Affairs, including Second and later First Secretary of the Japanese Delegation to the OECD; Counselor of the Embassy of Japan in the United States; and Consul General of Japan in Hong Kong. He was then named Director-General of the Economic Cooperation Bureau. While Director-General of the North American Affairs Bureau, Mr. Matsuura began his formal writing career and has had numerous titles published. An accomplished author in the fields of economic cooperation, bi-lateral relations, and perspectives on development, he represented Japan at the 1994 G7 summit as Deputy Minister for Foreign Affairs. From 1994-99, Mr. Matsuura was called upon to serve as Ambassador of Japan to France and concurrently to Andorra and Djibouti. During this period he published *Japanese Diplomacy at the Dawn of the 21st Century*.

SERGIO PEÑA-NEIRA

UNU/IAS

JAN PRONK

Professor, Institute of Social Studies, The Hague,
and former Minister of Development Cooperation, the Netherlands

Jan Pronk is Professor at the Institute of Social Sciences in The Hague in the Netherlands. A graduate of the Rotterdam School of Economics, he lectured at the school's Development Programming Centre and the Netherlands Economic Institute from 1965-71. From 1979 to 1980, he was professor of international development policy at the Institute of Social Studies. In 1989 he occupied the Den Uyl Chair at the University of Amsterdam. He was a member of the Lower House of Parliament for the Labour Party in the Netherlands (1971-73, 1978-80 and 1986-89); the Labour Party's first Deputy Chairman (1986-89); Minister for Development Cooperation (three terms); Deputy Secretary-General of the United Nations Conference on Trade and Development (1980-85); and Assistant Secretary-General of the United Nations (1985-86). Between 1998 and 2002, Mr. Pronk was Minister of the Environment in the Netherlands. He was President of the Conference of the Parties (COP 6) for the UN Climate Change negotiations in 2000 (The Hague) and 2001 (Bonn), and UN Secretary-General Kofi Annan's Special Envoy for the 2002 World Summit on Sustainable Development. From 2002, he has been Chair of the International Institute for Environment and Development.

MOEEN QURESHI

Former Prime Minister of Pakistan

Moeen Qureshi is Chairman and Managing Partner of Emerging Markets Partnership, which serves as Principal Adviser to the American International Group (AIG) Infrastructure Fund. He was Prime Minister of Pakistan in 1993. From 1980 to 1991 he worked for the World Bank, first as Senior Vice President for Finance and Chief Financial Officer of the Bank from 1980-1987, and then as Senior Vice President for Operations, where he was in charge of all Bank operations during 1987-1991. Prior to that, Dr. Qureshi was at the International Finance Corporation as Vice President and second in command between 1974-77, and as Executive Vice President and Chief Operating Officer from 1977-81. He worked for the International Monetary Fund from 1958 until 1970, and served both at headquarters and in the field in a variety of senior economic and operations assignments before joining the International Finance Corporation. Dr. Qureshi holds a B.A. (Hons.) and M.A. (Economics) from the University of Punjab and a Ph.D. in economics from Indiana University.

FIDEL RAMOS

Former President of the Philippines (1992-98)

Past appointments also include Chief of Staff of the Armed Forces of the Philippines, and Secretary of National Defense during the Aquino administration. During his presidency he achieved substantial political and economic stability in the Philippines. Economic reforms included those aimed at attracting increased investment and addressing health, education and skills training, housing, environmental protection, agrarian reform, and other issues. Mr. Ramos is a graduate of the US West Point Military Academy, and holds an M.A. in engineering from the University of Illinois as well as an M.B.A. He also holds several honorary doctorates. He presently heads the Ramos Peace and Development (RPDEV) Foundation, and is Chairman of the Boao Forum for Asia (BFA). Current positions also include: Honorary Director, General Douglas MacArthur Foundation; Founding Member, Policy Advisory Commission, World Intellectual Property Organization (PAC-WIPO); Honorary Member, World Commission on Water for the 21st Century; Member, International Advisory Council, Asia House; Trustee, International Crisis Group (ICG); Member Advisory Group, University for Peace; Patron, Opportunity International (Phils.); Honorary Chairman, Yuchengco Center for East Asia, De La Salle University; Honorary President, Human Development Network (HDN) Philippines; Lifetime Honorary President, Christian Democrats International (CDI); and Chairman Emeritus, Lakas-Christian Muslim Democrats Political Party.

BALTHAS SEIBOLD

UNESCO

JOEL SHELTON

United Nations University (UNU)

AMINATA TRAORÉ

Former Minister of Culture, Mali

Aminata Traoré, former Minister of Culture and Tourism of Mali, is an author, community leader and manager of cultural events and enterprises. She holds a doctorate in social psychology. As a consultant for various international organizations, her work has focused on social development and the social cost of globalization, women's issues, environment and the role of culture as the basis for human reconstruction when access to essential goods is problematic. Previous positions include Regional Director for the PROWESS Programme (Promotion of the Role of Women in Water, Environmental and Sanitation Services) under the auspices of the UN Development Programme (1988-92); she also participated as member of the World Commission on the Social Dimensions of Globalization. Recent publications include: *L'Etat - l'Afrique dans un monde sans frontière* (1999), which deals with the debt issue, African decision-making capacity, and the singularity of African culture; and *Le viol de l'imaginaire* (2001).

SHINAKO TSUCHIYA

Shinako Tsuchiya was Parliamentary Secretary for Foreign Affairs of Japan from October 2002 to September 2003. She serves her second term as a member of the House of Representatives.

ANDREAS VAN AGT

Former Prime Minister of the Netherlands

Andreas van Agt was Prime Minister of the Netherlands between 1977 and 1982. Former government positions include Minister of Justice and Deputy Prime Minister. He has served as European Union Ambassador to Japan (1987-90) as well as Ambassador to the United States (1990-95). Academic positions include Professor of Criminal Law at the University of Nijmegen, the Netherlands (1968-71); Visiting Professor at Ritsumeikan University (1995-96) and at Kwansai Gakuin University (2001) in Japan; Chair Professor at the United Nations University's Institute of Advanced Studies. Professor van Agt is Doctor Honoris Causa of the University of South Carolina in Columbia (USA), Ritsumeikan University (Japan), Hansung University (South Korea), and Kwansai Gakuin University (Japan). He was awarded the Grand Cross in the Order of Oranje-Nassau (Netherlands) and received decorations of the same rank from countries such as Belgium, Cameroon, Denmark, Greece, Italy, Senegal, Spain, Sweden, Thailand and Japan. He is also Commandeur dans l'Ordre des Palmes Academiques (France).

HANS VAN GINKEL

Rector, United Nations University (UNU)

Hans van Ginkel is the Rector of the United Nations University, Tokyo, and Under-Secretary-General of the United Nations (since September 1997). He was elected President of the International Association of Universities (IAU, Paris) in August 2000. He is the Vice-Chair of the Board of Trustees of the Asian Institute of Technology (AIT, Bangkok), Member of the Academia Europaea, Honorary Fellow of the Institute for Aerospace Survey and Earth Sciences (ITC, Enschede), and the former Rector of Utrecht University in the Netherlands. He serves as a member and officer in several professional associations and organizations. He holds a Ph.D. cum laude from Utrecht University (1979) and an Honorary Doctorate from Universitatea Babeş-Bolyai, Cluj, Romania (1997). His fields of interest are urban and regional development, population, housing studies, science policy, internationalization and university management. He has published widely in these areas, and has contributed extensively to the work of various international organizations.

**GLOBALIZATION-
RELATED EXCERPTS
FROM UNESCO'S
MEDIUM-TERM
STRATEGY (31 C/4):
Contributing to peace
and human development
in an era of globalization
through education,
the sciences, culture
and communication**

In its Medium-Term Strategy for 2002-2007, UNESCO has centered its mission around the theme of contributing to peace and human development in an era of globalization through education, the sciences, culture and communication.

The following are key excerpts on globalization from the 31 C/4 document. The entire text of the Medium-Term Strategy is available online at <http://www.unesco.org/bsp/>

GLOBALIZATION MUST BE MADE TO WORK FOR ALL

...

5) UNESCO together with other actors of the international community is called upon to help bring about conditions under which the peoples of the world, communities and indeed each individual may enjoy genuine human security. Poverty and conflict are prime causes that put human security at risk and endanger human dignity and social justice. Human security is inconceivable without sustainable development including environmental protection. Its attainment will require profound changes in people's and societies' attitudes and their patterns of behaviour especially as regards consumption and production, as well as enhanced international cooperation.

7) Over the last decade a worldwide consensus has developed on key challenges to humankind, especially on economic and social issues, from a set of global conferences – such as those held in Jomtien and Dakar on education, in Rio on the environment, in Vienna on human rights, in Beijing on women, in Cairo on population and development, in Copenhagen on social development, in Barbados on small island developing states, in Istanbul on human settlements (Habitat) in Budapest on science and in Stockholm on cultural policies. The United Nations Millennium Declaration of September 2000, which will serve as an overarching guide for UNESCO's Strategy, consolidated the broad consensus reached and agreed on specific time-bound targets. A set of international development goals defines select major components of a global agenda for the twenty-first century.

8) The eradication of poverty has become the overriding international target. Poverty is a denial of human rights and the very antithesis of development. Yet, despite all efforts in past years, poverty and exclusion have deepened and become pervasive. Almost half of humanity is trying to survive on less than US \$2 a day, and a quarter lives on the margins of life on less than US \$1. Seventy per cent of the poor are women and two thirds are under fifteen years of age. The income ratio of the richest one fifth to the poorest one fifth in the world increased from 30:1 in 1960 to 75:1 forty years later. But poverty is not only a scourge for developing countries, it is an equally troubling reality in industrialized countries. UNESCO is called to contribute, across the range of its activities, to the global campaign to halve extreme poverty by the year 2015.

9) The persistence of poverty is especially disturbing as it occurs during a phase of intensifying globalization encompassing and affecting all societal activities, not only the economic and financial fields. It has created unprecedented wealth and well-being, but predominantly for rich countries and wealthier segments of populations, while bypassing or even disempowering the poor, countries and individuals alike.

10) For many, globalization means marginalization. Many developing societies are experiencing enormous pressures as they struggle to cope and shape their destiny and to

attain growth with equity. With its competences in education, the sciences, culture and communication, UNESCO can render effective contributions to assist in these efforts and in the quest to bring about globalization with a human face.

11) Today, the process of globalization coincides with a fundamental transformation to knowledge-based societies – largely driven by information and communications technologies (ICTs) – where knowledge and information increasingly determine new patterns of growth and wealth creation and open up possibilities for more effective poverty reduction. Indeed, knowledge has become a principal force of social transformation. The leaders of virtually all countries have professed their desire to transform their countries into learning economies and knowledge societies. Knowledge-based and -led development holds the promise that many of the problems confronting human societies could be significantly alleviated if only the requisite information and expertise were systematically and equitably employed and shared.

12) In the years to come, one major challenge for the international community will be to ensure the free flow of, and equitable access to, knowledge, information, data and best practices across all sectors and disciplines. For the free flow to be meaningful, access to knowledge alone will not be enough. Other needs must also be addressed, such as building human capacities and technical skills and developing content necessary to translate knowledge and information into assets of empowerment and production.

13) In accordance with the main strategic thrusts of its mission, UNESCO will be called to contribute to all these challenges. In particular, it must focus on the need to reinforce the right to education, to strengthen international scientific and intellectual cooperation, to protect cultural heritage including the increasingly important intangible heritage, to promote media development and to broaden public domain access to information and knowledge. These tasks are essential for creating knowledge societies based on equity and social justice and geared to fostering empowerment.

...

23) UNESCO can also help reinforce a growing trend towards localization and empowerment at local levels – seemingly paradoxical in conditions of globalization –, especially in the cultural, scientific and educational spheres and more generally in the creation, preservation, dissemination and sharing of knowledge. This will enable people to operate on a platform of their own when dealing with globalization.

24) Globalization has injected new relevance and added new dimensions to UNESCO's longstanding mission to bolster respect for universal norms and values. Observing human rights and contributing to their enjoyment, tolerance, freedom of the press, and a commitment to the enhancement of quality of life and well-being remain ongoing tasks for the Organization.

25) A new challenge today is to build international consensus on newly required norms and principles to respond to emerging ethical challenges and dilemmas as a result of globalization. The trend towards a homogenization of educational, cultural, scientific and communication activities is disquieting and risks to bring about uniformity of content and perspective at the expense of the world's creative diversity. The growing commercialization of many spheres previously considered as public goods, such as education, culture and information, jeopardizes weaker, economically less powerful but nevertheless equally important segments of the world community. Technological innovations and powerful mechanisms of control demand new approaches to the protection of the rights of the individual. Overall, there is a need to agree on universally accepted mechanisms to ensure equitable participation in and management of globalization. There are currently very few rules of the game and unless a universally agreed framework can be defined, the poor and the weak will continue to be denied benefits of globalization. Globalization must be made to work for all.

UNIFYING THEME

UNESCO contributing to peace and human development in an era of globalization through education, the sciences, culture and communication.

TWO CROSS-CUTTING THEMES

- Eradication of poverty, especially extreme poverty •
- The contribution of information and communication technologies to the development of education, science and culture and the construction of a knowledge society •

THREE MAIN STRATEGIC THRUSTS

Developing and promoting universal principles and norms, based on shared values, in order to meet emerging challenges in education, science, culture and communication and to protect and strengthen the “common public good”.

Promoting pluralism, through recognition and safeguarding of diversity together with the observance of human rights.

Promoting empowerment and participation in the emerging knowledge society through equitable access, capacity-building and sharing of knowledge

TWELVE STRATEGIC OBJECTIVES

EDUCATION

Promoting education as a fundamental right in accordance with the Universal Declaration of Human Rights; Improving the quality of education through the diversification of contents and methods and the promotion of universally shared values; Promoting experimentation, innovation and the diffusion and sharing of information and best practices as well as policy dialogue in education.

SCIENCES

Promoting principles and ethical norms to guide scientific and technological development and social transformation; Improving human security by better management of the environment and social change; Enhancing scientific, technical and human capacities to participate in the emerging knowledge societies.

CULTURE

Promoting the drafting and implementation of standard-setting instruments in the cultural field; Safeguarding cultural diversity and encouraging dialogue among cultures and civilizations; Enhancing the linkages between culture and development, through capacity-building and sharing of knowledge.

COMMUNICATION AND INFORMATION

Promoting the free flow of ideas and universal access to information; Promoting the expression of pluralism and cultural diversity in the media and world information networks; Access for all to information and communication technologies, especially in the public domain.

"Globalization With a Human Face - Benefitting All" was the theme of the international conference organized by UNESCO and the United Nations University (UNU) in Tokyo, Japan, on 30 and 31 July 2003. This volume contains over 20 viewpoints on the driving forces and forgotten dimensions of globalization.

International leaders probe the effects of globalization on cultural diversity, international dialogue, ethics, education, environmental policy and media. Contributors include Koïchiro Matsuura, Director-General of UNESCO, Hans van Ginkel, Rector of the United Nations University, Fidel Ramos, former President of the Philippines, Moeen Qureshi, former Prime Minister of Pakistan, Andreas van Agt, former Prime Minister of the Netherlands, and Eduardo Aninat, former Deputy Managing Director of the International Monetary Fund.

Here, the idea of "globalization with a human face" is woven into the very fabric of new strategic responses to globalization.

Globalization with a Human Face

Benefitting All



United Nations Educational,
Scientific and Cultural Organization
Bureau of Strategic Planning

For further information about UNESCO's activities
related to globalization, please see:
<http://www.unesco.org/bsp/globalization/>

