

The manifold ways of globalization: How to choose?

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I should like to start by thanking you for honouring me by your invitation to address this assembly of intelligent people who are willing to work and wish to change the world.

I have been asked to start by saying something about myself. Just something to bring back happy memories. I am very glad to be here this afternoon because about 43 or 44 years ago, when I was charged with the Aspirants' Group in Calabria, I was asked to attend a meeting for Aspirants' regional councillors here in Domus Pacis. So this is the second time I am here: glad to be back!

I have been asked to develop the theme "The manifold ways of globalization. How to choose". I shall try to answer this question by analysing three sections of facts, perspectives and choices.

The first section will focus on the principles on which is based the predominant "narration" today, and therefore on the manifold ways which this globalization has taken in accordance of this narration of the world and society. In this section I shall also try to analyse the consequences which I feel are particularly devastating.

In the second section I shall try to find the answers. There are two alternatives in globalization: either making it human or else some kind of universal reformism based on the concept of "regulating globalization, globalizing regulation".

These two ways do not seem to me to be adequate. They are limited and I shall try to show why I consider these alternatives as insufficient by giving experimental arguments.

And so in the third section I shall try and present what I think to be the good globalization: my ideas that I consider good to build an alternative to the present globalization and which I think it necessary to undertake and to follow.

First Section - Basic principles of today's narration

Which are the fundamental principles of the current narration in society and in the world in general? It is important to realize that there is a narration going on. Every society uses "great narrations" relating to man's history and to human conditions, ethical aims and duties. No society lives without a narration. And these narrations vary with time and place and are manifold. However, over these last twenty years, there has been a narration, which is almost universal. Not the Catholic narration, which should have a universal function, but one which is dominant and implicitly contains certain elements of the Catholic narration.

Which are then the principles and values, for which we need to provide a microphone, prepare software, produce bread and provide water? Which are the fundamental principles today which we come across in our everyday life?

1. *The first* is the theory according to which society bases itself on individuals, creativity, individual commitment and participation, on individuals who are permanently in mutual transactions: such transactions between the individuals is the basic element on which society is built.

This first fundamental principle says that the aim of all transactions between individuals is to maximize the profit of each individual. When, for example, one goes to buy a television set expecting good quality for a low price: where does the principle of maximizing the profit of the individual come in? It lies in having more while paying less: precisely that is why we all, as customers, apply this principle. We want to get the finest things, of best quality, variety and flexibility, for the lowest price. And what follows on the part of the entrepreneur? He wants to get the most out of both material and human resources, and to make the highest profit possible. When an entrepreneur deals with an employee he expects to get the most and to pay the least. And we, as customers, expect to get the most from the producer while paying less. That is why today we all follow this logic, and what is most important in this fundamental principle is that we consider it perfectly ethical to maximize the individual profit. We have thus accepted the fact that it is right to enter into transactions with others with the aim of maximizing our own individual profit. In Belgium - where I have been living for the last 27 years - families have been withdrawing their children from schools which, during the last two

or three years, have been accepting immigrants' children e.g. Kurds and Moroccans. They were afraid that the level of teaching, where immigrants' children were accepted, would be lowered. And they felt that such behaviour was right and normal. Even though it is not morally correct, everybody said that the parents were right when they wished to give the best education to their children. One cannot risk sending one's own children to schools where the level of education is declining and so it goes that way with all Catholics, all good Belgian Christian families, all good people of standing who care for their children's future!

2. *The second* fundamental principle says that the enterprise is the best and most suitable organization to manage transactions between individuals so that such transactions might maximize the individual's profit.

I am not talking here of a co-operative. A convent is not the best organization for individual transactions. On the other hand a national Health Service is an enterprise. The State is an enterprise. The enterprise is considered to be the intelligent collective organization of transactions between individuals, which allows to maximize the individual's profit to the best possible effect. For example, on 16 November, President Prodi wrote an article in the "Financial Times" in which he said that the function of the State and of society is to be pro business because if one is pro business one helps to bring about the best improvement in the economic and social set-up, the enterprise being considered the mother organization, the main organization which is capable of organizing our intelligence and creativity. That is why Tony Blair has always maintained that "my government is pro business". And we directors are always told that the role of the State is to create a favourable environment for the enterprise to exert its function of organizing individual creativity, in order to maximize the individual profit. It is thus clear that the role of politics becomes that of setting up the framework of rules in which the enterprise may fully exercise its function of creating the best possible relations and transactions between individuals.

3. *The third* basic principle is the criterion, which determines values in our society today: it is the transactional criterion applied everywhere. It has value, relevance, and significance practically all round.

Who determines values in our society today? The dominant narration says that it is capital. Capital is the parameter which defines values. It is financial capital, and not the social, cultural or historical capital. We have now accepted the principle that something is right, good, and worthwhile if it contributes towards increasing the value of existing capital. Anything, which does not add value to existing financial capital, is worthless. Even to the extent that whatever hinders capital to produce surplus value is considered negative and dangerous. This is why we are a capitalistic society. It is capital in fact which determines value, financial capital the parameter which defines value. And so we have financialized the economy, and the Americans are very rich in spite of the fact that they do not possess anything. They are rich, because they have financial capital. 82% of American families do not possess any property. They do not own a house, still less a second house. They have stocks and shares. Yet they are considered very rich. Now 30% of European families have started to keep back from investing their savings in a second house, or immovable property in general. They have started to opt for stocks because we have now financialized the value of transactions. Financialization of economy means the gradual autonomy of finance as regards the function of finance itself. This means that nowadays the function of finance no longer has the classical role of being the link between savings and investments. This should be its basic aim: banks should help to transform savings into investments, which generate riches, parts of which are used and the rest saved to be invested again.

Nowadays, instead, finance develops to generate finance. That is why we economists speak of the "bubble of finance". By now over two thousand million dollars, which constitute the total daily international financial transactions, only 3% go towards generating riches. The remaining 97% are directed towards giving surplus value to capital. That is why Americans, considered rich, are in fact poor. And they all say: "this is the new economy!"

It is the autonomy of finance in relation to the real economy and so is financialization of

economy as the definite criterion of value.

That is why, when we have shares in the stock exchange, we also are the subjects of capital, financial capital holders and managers. Who are the managers of capital? They are investment funds, banks, insurance companies etc. And besides the mechanisms of this narration, that is the financial markets: it is these three which have incredible power. When, for example, as a shareholder you threaten a company like Total-Fina: "do you still want to go to Thailand?" Or Shell: "do you support the Government of Nigeria? In that case I shall withdraw funds and go elsewhere". Such a threat will frighten them. On the other hand, if you attempt such a step as a citizen and take steps through the Italian Parliament or the Bolivian Parliament, no one will take any notice of you. But it is the shareholders, who own the capital, who organize it all. These, therefore, are the three basic principles.

The ways of actual globalization

Which are the ways of globalization, which these three principles have inspired?

These ways are important, and we live them daily. In my opinion they are six, which are the main ones.

1. The first way of this narration is self-referential. What does it say? It says that globalization is an unavoidable, irreversible process, a part of nature that cannot be stopped.

Kissinger once said that globalization is like the rain; it is part of nature. As if God Himself wanted it, it is written in the laws of nature. And so what can one do against this process? The dominant narration tells us that we cannot do anything. The only intelligent, realistic and politically correct thing to do is to adapt oneself. That is why, during the last twenty years, the word adaptation has become a key work in our society's culture. It is clear why: it explains contemporary history. And those who do not adapt themselves, it is their own fault. The dominant narration says: "You have not been able to adapt yourself. It is your fault, because everyone can adapt himself". Therefore the first way of current globalization is the inevitability and the irreversibility of the process itself.

There is a double mystification in this concept. The first is that it makes no distinction between the various potentials of the process. In fact they speak of " globalization " without qualifying it as the "actual globalization ". Scientifically, it is a deception to say that the present globalization is irreversible and inevitable. It is in fact not possible that there is only one way - or only the current ways - of globalization. History could have done or could do... it is therefore a scientific, historical, and political mystification to exclude other forms of process, which is theoretically impossible. Other forms of development are, in fact, possible. To say that today's process is inevitable, irreversible, part of nature itself, and to hold that one cannot do anything except adapt oneself, is tantamount to saying that the future holds no other prospects beyond the present globalization. And the mystification reaches the point of maintaining that to oppose globalization is to oppose globalization itself. This is untrue, as one can oppose the current forms of globalization, and yet be in favour of globalization.

The second mystification lies in the fact that as a result, we have no freedom. To say that the current processes and forms of globalization are part of nature is to curtail our field of choice before we start. We have not brought about the present system: therefore we are not free to choose because we have not chosen it ourselves, nor are we free to change it. We must just adapt ourselves. Where, then, is freedom? The supporters of the present globalization call it the greatest expression of freedom. A mystification beyond comparison. It is as if one says there is a river that is part of nature, breaks its banks every six months and destroys everything. And one cannot do anything about it. Cannot one raise the embankment, arrange the river bed, etc.? There is always a possibility of some remedy.

2. The second way of this dominant narration of globalization is market liberalization.

History has reasoned, over the last 30/40 years, that it is necessary to liberalize national markets. It has been necessary to eliminate anything, which limits the possibility of capital seeking maximization of profits, and thus curtailing freedom: capital's freedom. That is why there is a need for liberalization. And national rules become illogical because they go against

freedom and against nature. The dominant narration says that national rules go against nature because they block progress. The only acceptable national rules are liberalization, and market liberalization. If, for example, you introduce environmental, social, or cultural rules, which limit and regulate market freedom, you are going against nature. That is why GATT has for 40 years assumed the function of liberalizing markets. That is why WTO (World Trade Organization), the world's and society's multilateral organization on a political level, has been the best form of expressing this. WTO was created during the same period in which, for some 10/15 years, the multilateral function of the United Nations type has been declining. Multilateral function in the political and institutional fields was in crisis and WTO emerged as the organization with a universal function, nowadays representing the only true world political authority. In fact, it was in the sphere of WTO that an organ for the resolution of conflicts, with judicial and executive powers and powers of sanction was set up. The only world authority that exists today is the Organ for resolution of conflicts in the World Trade Organization. In fact, in cases of conflict between States, every State can appeal to WTO, which, in the sphere of the Organ for resolution of conflicts, appoints a "Panel of Experts", made up of five persons who decide whether the request by the member State can be heard. In the case of a positive decision, the case is passed on to the control organ of the Panel. Once the panel has passed its judgement not even the United States can go against it. This is great power: the power to decide legislation, principles, penalties and sanctions so that it can condemn to damages, amounting to millions and millions of dollars, those who have been found at fault. There is no other world authority as powerful as the Organ for the resolution of conflicts. The UNO Security Council? And what if a member-State does not want to accept their decision...UNO? It passes resolutions, but how many States respect them? On the other hand no State, during the last four years, has dared to ignore the decisions of the Organ for resolution of conflicts.

The liberalization of markets started in the 70's, particularly after the crisis of the Bretton Woods system. This was a system based on fixed rates of exchange between currencies and the possibility of converting the dollar into gold. In 1973 convertibility into gold was not possible, and all currencies started fluctuating between one another. (Up to this day, currencies still fluctuate between themselves without control. And so in the year 2000 we are still in this same situation of monetary instability, financial instability, unstable interest rates, etc.). In 1975 free movement of capital was first allowed. Liberalization of capital movement has become the central element in our society's economic history. That is why, today, there are two concepts, expressed in English, which are fundamental. They express why our society is a world capitalist society. They state that capital must be active anywhere, any time. That is why aircraft may also fly during the night, in spite of the fact that so many people cannot sleep. Aircraft come first because capital cannot stop, since it has to be productive. Capital must produce surplus value everywhere, any time, every single second. Why must we reach a stage of prohibiting department stores from opening on Christmas Day? Capital must work anytime, even during the night. Capital must work everywhere: anytime, just in time, instant economy. Just think of all this terminology, which we have accepted: instant economy, anywhere, anytime, just in time, flexibility.

3. The third way of this narration is de-regulation, meaning market de-regulation. It implies that no public authority, whether at local, national, or international level, may establish rules except for the purpose of enabling operators to regulate themselves.

As a result of this, the control of decisions in matters dealing with the allocation of resources and the distribution of riches created is no longer in the hands of political authority. That is why, for example, at the beginning of 1975, we have de-regulated banks and insurance companies. What are the implications? Previously commercial banks could only finance commercial activities; municipal credit banks only public works; industrial banks only...work bank only...etc. Now, from the 80's, all banks can do all. This is called "total banking". Previously, banks could not deal in insurance; now they are allowed. Previously insurance companies were not allowed to function as banks; now they are allowed. The large-scale trade could not function as a bank; today one can go to a large-scale trade and ask: "How much do I have to pay for these purchases? Thirty thousand? Do please allot me one hundred thousand!"

And they lend you seventy thousand. The logic of the financial economics in fact permeates everything. De-regulation implies that now any kind of transaction is carried out by the self-regulators, that is by the people who carry out the transaction. Remember the individualism of individual transactions: these are the individuals who carry out the transaction and at the same time establish the rules of the game. That is why today we are reaching a system whereby regulations are made by the operators themselves. Why do we have networks? Have you ever thought why, nowadays, we are told that we are living in a "net-economy", and in a "net-society"? They say that it is the network that regulates everything. The network - they say - is the most advanced form of democracy because it is not hierarchical. It is flat, it is multiple, and it changes as often as necessary according to people's needs. And so the network is self-regulating: it is the most advanced and direct form of democracy. That is the reason behind the de-regulation of everything.

4. *The fourth way towards this dominant globalization is privatization.*

When Spanish Prime Minister Aznar won the election, Economics Minister Piqué said: "we shall privatize all that is public and after that, whatever can be privatized". He further added that basically there is no limit to privatization. Thus we have noted that in all our countries we have privatized our banks. Once banking has been liberalized, the privatization of all banks follows. And what does privatization mean? It means that the power of banks to decide on the use of what they have is no longer a matter of public concern. Instead, it is in the hands of private individuals. Thus it is a private individual that decides on purposes, and it is private capital that determines priorities. And in deciding on priorities, he shall also be determining the means required to arrive at the final aim. Beyond the transfer of powers from the collective to the private sphere, privatization also implies that, if appropriate means have been used and good results are obtained, the beneficiary is private capital. This is the worst implication of all. Evaluation is always important in a society. But nowadays the criterion used in evaluating collective performance is simply that of financial capital.

What happens in a firm? In an organized firm there is the main-date. For example, one is in a particular section and is instructed to win over 7% of the market within a two-year time limit. Another person may form part of a research laboratory and is instructed to come up with some new pharmacy product, because a competitor firm has conquered 27% of the market. He is given a four-year limit for this exercise. At the end, if he succeeds, he earns a lot of money; but if he fails... All depends on the main-date: the evaluation and the criteria for evaluation. One might complain: "But I am the father of a family; I have worked hard and given of my best!". Granted, but it is the evaluation that counts. And this is how we all come to be judged by performance. Not the performance of friendship, solidarity, or contribution to the collective well-being on which we should be assessed, but the results in relation to the mandate given under the criteria of financial capital. Thus political evaluation is no longer political. Take the example of a government intent on a new move, say, in the field of health. Everyone waits to see how the financial market is going to react. If the money market reacts favourably, the government is right; but if financial markets disapprove, the government is wrong and will have to be changed. We have privatized everything: electricity, gas, banks, insurance, air travel, trains, posts, telecommunications. We are in the process of privatizing hospitals, health, education... In May of this year we have seen the first World Education Market. Now education is up for sale like sweets.

And what is more important, with the right of intellectual ownership, we have privatized life: the world's biological capital.

The right to intellectual property is a good thing: I write a book and have the author's copyright. I invent a graphic shape like McDonalds's "M", or perhaps I invent a metal which makes a filter more effective, and I register it as my property. We are dealing with property, of industrial property, author's copyright, and industry rights: all well and good! But what have we done over the last years? We have extended this right of patenting to all fields of life. What is software? It is a collection of mathematical algorithms, combined with some equations. Once I have them patented, my ownership is established. No one can make use of these algorithms without my permission, and paying me for the use. That is why the software industry is a capitalistic industry. Previously, mathematicians who performed these processes were not

subjected to the law of industrial property. And in the field of life the microorganisms the seeds: seeds used by farmers all over Latin America, India, and Africa. As things now stand, these farmers no longer possess anything. Ownership of the seeds has been taken over by the large agrochemical and pharmaceutical firms, which patented them. Thus they have become the owners of the world's biological capital. They have expropriated life, and this legally, because they are authorized to register patents. Since 1996 in the United States - and May 1998 in our European Parliament - the patenting of genes has been authorized. Four months ago Tony Blair and Bill Clinton (both of them Christians) decided - and not by themselves alone - to authorize genetic transformation and also work on human embryos, for therapeutic purposes. Commercial firms can now become the owners of embryos. That is to say, we have privatized life, thus reducing it to the level of commercial goods.

5. *The fifth way:* the exaltation of technological novelties to the level of something sacred, being the expression of both individual and collective creativity.

We have all said that nowadays, to enter into transaction, to live together, we have to be continually changing, and be among the first in introducing innovation. And when we think of innovation, we never think of something in the social field, but it must be technological. If we think of what future hospitals will be like, looking at studies carried out on "The hospital of the future"; we see machines, technical equipment, etc. but no people. And now we are saying that technological innovation is the fundamental starting point for our society. A society that does not go into considerable expense on research and development will not be able to renew itself technologically. And thus being incapable of producing innovation, it will sooner or later fall to the level of an underdeveloped country. And innovation has to be permanent. That is why we accept that Nokia has produced a new mobile phone to eliminate Ericson, to eliminate Sony, but not quite for our benefit. Similarly, we are expecting some new medicinal from Glaxo-Wellcome... exactly, in order to eliminate some competitor and not for the improvement of people's health! Had people's health been in mind, pharmaceutical companies would not have withdrawn the general products used in the fight against malaria. These have been withdrawn: they are no longer available on the market. And then one day, exactly a week ago, under political pressure, they have finally decided to make a "donation" of a certain quantity of medicines to the poor people of Africa! Had they really been interested in the health of these people they would have left their basic medicines on the market. On the contrary, they spend 92% of all their research and development funds to cure the diseases of our ageing population, and our cardiovascular and mental health problems. This technological innovation has its importance, historically. Very often we underestimate criticism of technological innovation for fear of being dubbed as "against progress!". For yet another time the false notion has been spread abroad that whoever is against technological innovation of the dominant groups, is against progress. But why? I could be against the present use being made of Internet without being against Internet. On their part, they say that technological innovation is there to substitute; to exchange products and services that are more expensive, of lower quality, and less flexible, for new ones. Hence technological innovation is there to substitute continually, daily. Do you know the life span of software? It is twelve to fourteen months. The life span of a car is four to six years. The life span of all our skills is about six years. That is why we have to think of life-long education. That is why people are told that they must change jobs five or six times. Gone are the days when one joined FIAT like father, or uncle, or grandfather. And so we are all frightened as we are told that uncertainty is a characteristic of the future. We are told to prepare ourselves for changes, innovations, and mobility, and be ready to go anywhere. You cannot expect to have a right to work: you must show that you are employable. Nowadays in fact one does not speak of a policy of employment or of a right to work: you are in duty bound to be fit for employment, and show that you are so fit, or else... see you later!

6. Finally, we come to the sixth way: competitiveness.

In the midst of all, one can come up with the argument: you are not God, you are no longer the nation, or the king, or the son of the earthly emperor, or elected to power (these considerations were the former bases of legitimacy). What is your legal basis, to want to

decide for the whole world? Do you know the answer they come up with? "We can legitimately decide for the whole world as we have shown ourselves more competitive than the rest". In concrete terms: "I have been better than the rest, I have been capable of technological innovation, I have utilized all existing knowledges". One who has been able to utilize knowledge is considered clever because another is less clever, less aggressive, less quick in combining various factors. And as one sells products at lower prices he is clever for consumers, builds up capital, and is clever also for shareholders. And being very clever, he is the best, and has a right to govern and decide. This is how competitiveness has become the basis of the ideologies in today's society. When the heads of State and of government met for the Lisbon Summit last March, they issued an important declaration covering the choices facing Europe up to the year 2015. It was a great event. They told the people of Europe to stand united, as an important mission was going to be entrusted to them to be attained by 2015. And what was this important mission? To make Europe the most competitive in the world. This was the great message from the fifteen heads of State and government of the European Union, the greatest world commercial power. Concerning our youth and our own generation we are told that from now up to 2015, our basic task is to become the most competitive in the world, building on an electronic based Europe.

The consequences

What is going to follow? There are so many consequences, but I shall only point out three, which we can later discuss.

1. Turning everything into merchandise

In this globalization, in this narration, everything is merchandise. That is why we can say, using the traditional Judeo-Christian terminology that the world has now been transformed into a temple dominated by merchants. The house of God has been invaded by merchants and turned into the temple of merchants. We have turned everything into merchandise; we are no longer human persons, but human resources.

Life is no longer life: it is called "biological material". Even water and air, the principal sources of life, are in for consideration as merchandise, with a price tag to them. A few days ago, at the Hague, it was stated that air should be part of the market of emission. Air has become a merchandise. If this idea persists, within 50-70 years our grandchildren will be living in a particularly disastrous situation.

2. The depoliticization

Granted that the political class has not always proved capable. I am not speaking of men and women who are professional politicians. In our context, politics means the organization of society. This has not always been carried out in a sufficiently skilful manner.

We need to renew politics, the organization of decision making for the purpose of living together. Instead of doing this, we are depoliticizing our society. We call ourselves a society without space, or with new forms of space. Territory is no longer the basis of politics, or sovereignty. Sovereignty now means competitiveness on the world market. One is sovereign if one is competitive, not due to authority over a particular country. And we have been told that the State, the nation, and the community no longer make sense. In an instant economy nothing is long term.

So why have the State, which was an organizer between generations? And so we keep depoliticizing. No wonder we give importance to networks.

3. The expropriation of the right to life

Citizenship has practically been confiscated. Here is an example of both. The people who dominate, the current narration, no longer speak of justice, but rather of equity. I do hope that the Commission for Justice and Peace will never give up the word "justice".

And why speak of equity? The present dominant societies have accepted that it is quite within justice to have inequalities in citizenship, these inequalities having been legalized and made sacred due to different levels of knowledge, skill, and expertise.

Take the case of a school having certified a pupil as having been dull and lazy. Later the former pupil may land in a situation of inequality with regard to his ability as an active member of society, having an active part in decision making. But the school certificate is there. You

have no means of going against the inequality.

And so we hear it said over and over again that it would be unjust to go against inequalities arising out of merit. Not inequality in cars (I with a Mercedes and you with a small Punto), but inequalities of citizenship, in the faculty of taking part in the running of the city. That is why one speaks of equity: equity implies that it is just not to fight against inequalities. On the other hand justice requires that there should be no inequalities in the right of being a citizen.

Second Section - Alternative answers

There have been two answers from the predominant groups, spelling out alternative strategies. Within these groups there are intelligent persons, capable of examining and analysing possible alternatives. There are two alternatives, which are interesting, but not quite convincing.

1. The first of these says: let us humanize globalization. This means: no fundamental change of principles and dynamics, but at least adding a touch of humanity.

Introducing an element of humanity, putting a human face on mondialization. Very often, my impression on hearing this sort of speech is that the face referred to is a mask to cover up. Humanization means for example the Fair Trade, as it is fair to pay the workers their due. But the logic of capitalistic commercial exchange is not changed. How does Max Avelar go about it? He has humanized foreign trade - and this is a good thing - but he himself stated that he will not change the system. It is like an illness in its terminal stage, when there are support services to relieve pain, while knowing full well that the illness cannot be cured.

The real solution to the problem would be to cure the illness, eliminate its causes, and relieve the symptoms, which are the cause of suffering. The strategy of humanizing globalization is part of the United States programme, more specifically, Bush's programme. And what does Bush say about it? He too wishes globalization to have a human face. Aided by some University professors he has invented "compassionate conservatism": one needs to humanize, as there must be some compassion for the losers, those who have been left behind, those who did not succeed in becoming competitive. It is their fault - this has to be kept in mind - but we must be compassionate, so let us humanize things a bit: introducing, for example, some ethics into finance.

I do not wish to be misinterpreted: I am not against ethics in finance. Ethical finance is a little step towards humanizing globalization. Anyone of us, while operating as a good manager, tends to diversify his own financial assets: placing 50% in "Sicaf", which is more or less stable, 30% where it is more risky, and the remaining 3% in ethical finance. And that's what everybody does. You may or may not agree with me, but I see no change here. Yunus, who set up the Grameen Bank, said that they were aiming first of all to help women and families. In this area they made huge progress. The most they can offer as credit is five hundred dollars. The Central Bank of Bangladesh authorized them to go up to five thousand dollars only in exceptional cases. Normally transactions are in the range of fifty, thirty, or seventy dollars. They have also said they have no intention of changing the financial system. Still, what they have done has helped two million or more families, the women in particular, to make some progress. Obviously, this is no elimination of poverty. Perhaps smoothing its rough edge a bit, but not eliminating it. There is thus no change in the system for generating wealth or in the mechanisms for distributing it. Nevertheless, it is formidable that there is the Grameen Bank, and the Fair Trade.

This is the first alternative, which I have already seen as having limitations, as it does not change the system. Rather, it provides the system with a camouflage as being not so bad, and thinking of people in difficult situations. This is no solution twenty years on, when the world population reaches the eight billion mark. I do not know whether you have seen the latest figures published by the World Bank and the UNDP (United Nations Development Programme). Inequality between the richest and poorest countries has been growing always faster during the last 20 years. The more we have gone forward in liberalization, deregulation, and competitiveness, the more the inequality gap has widened.

2. *The second way* says: let us regulate mondialization and globalize such regulation.

This strategy has been adopted by many leaders nowadays, particularly the directors of World Health Organization, of WTO (World Trade Organization), the World Bank, and many western governments. When the people of Seattle protested, the WTO representatives wanted to know the reason. They said: "Our aim is to set up world regulation, we are gathered here to establish the rules, so why are you against world regulation"? Those who protested answered: "All well and good, but we do not like your rules". Even a dictator follows his own rules, but they would hardly be ideal! In the same way, those who express the intention of regulating globalization will not necessarily produce good rules. All the worse when the rules are adopted worldwide.

Take the case of the present attempts to eliminate the right to veto at European Union level, in order to pass by a simple majority vote any matter relating to international commercial dealings. In this context, there are many who would do away with unanimity and leave decisions to a qualified majority of the fifteen member States.

On the other hand, there are States, which feel that this does not guarantee that the rules established by this qualified majority would safeguard general interests. Hence the globalization of rules should depend on their nature, particularly whether they are democratic, transparent, and reversible.

This is why the second way, which aims at regulating globalization and globalizing such regulation, and which appears to be good and progressive, turns out as having many limitations. If you will allow me a bit of criticism within our audience: this theory of regulating globalization and globalizing such regulation is upheld by Camdessus, the present President of the Justice and Peace Commission. Hence a little message to all present who may have some influence with the Commission: be careful, because the Camdessus presidency has always defended the International Monetary Fund, and has criticized others for not adapting themselves to the globalization of finance. This is a bit of criticism of companions, brothers and sisters, as our way of speaking puts it. We can remain brothers and sisters, despite the criticism.

This second way, therefore, presents some inconveniences.

Third section - The "other" globalization

I come now to the third point which I submit for your consideration: the solution which I feel is the most expedient and equitable and which we should undertake as the way to the "other" globalization.

My point of departure is very simple. Within twenty years there shall be eight billion of us. At present we stand at six billion. Out of these six billion, 2.7 billion live on less than two dollars a day, 1.7 billion are housed in premises only fit for dogs, cats, and pigs; 1.4 billion have no access to drinking water; 2.4 have no hygienic facilities, 1.2 billion do not know what education is. These people constitute the universe of poverty, which is much greater and stronger than the universe of riches. These three billion people, all God's children - we do not dare deny them this title - have no citizenship.

Now this situation presents a political, theoretical and social problem. When there are eight billion of us, if we apply all we have said so far, what shall the situation be? The additional two billion will not have been born in the United States, North America, Western Europe, or Japan. It is more likely that they will be found in Latin America, Africa (unless exterminated by AIDS), and Asia, where there are already three billion. What can we, the developed countries and the ruling classes in Africa and Latin America, do within the next twenty years so that all eight billion will have a right to life?

I have put this question to myself, and feel we should all do the same. Or do we feel that in the next twenty years not all of these billions should have a right to live?

It is then clear that one cannot do without humanizing the globalization. Granting all eight billion the possibility to get the status of citizens of the world - for the sake of the fact that they are God's children - requires something different from what we are doing at present.

Either we believe that a remedy is possible within these twenty years (not fifty or a hundred), or else we place ourselves in a situation where we already know that in 2050 the inhabitants of this planet will be badly off with problems of water, air, and wars...

What should we do in such a situation? My starting point is the idea that it is possible, by

2020-2025, to reach a state that I shall call World Welfare.

1. My suggestion is that the *first* way towards a new globalization should be through defining and striving for World Welfare.

Existing and living together as human beings, with access to water, health, and nutrition... Thus the Gospel message "for I was hungry and you gave me food, I was thirsty and you gave me to drink" will not have been in vain.

Right now, at the dawn of the 21st century, we are faced with the grave duty of showing that the message of the Gospel can actually work: that it is really possible to feed the hungry and give drink to the thirsty. As an economist looking towards the future, I have made some calculation from which it results that, even with the humanization of mondialization, within twenty years we shall still have 3.7 billion people without access to drinking water. Can one dare to say one loves God, and be a Christian? Soon the good Lord may call on us and ask what we have done. Therefore I should like to ask you, during the coming days, to reflect on this concrete and practical target: what measures could a Christian possibly take, in order that within twenty or twenty-five years' time, there does not remain a person in the world without access to drinking water.

I suggest that all Catholic organizations in the world commit themselves to this precise objective: drinking water for all the world's population within twenty years. We might as well close our churches and parishes if we do not manage this. *Ubi caritas et amor, Deus ibi est:* (Where there is charity and love, God is there): and where else could he be? The objective is concrete and clear enough. Are the Catholic forces throughout the world capable and willing to take it up? If we want, we are surely able. It is a concrete objective, no vague rhetoric on love between human beings. This, then, should be the first objective of the new, different globalization. Not humanizing, but creating conditions for all human beings to live together: above all, that all may have the right to life. And this is why I speak of Welfare. Now it is important to start examining where obstacles are likely to crop up. The main obstacle is finance.

2. Hence the *second* stratagem towards globalization, based on the principle of World Social Welfare, is to do away with the present international system of finance.

As I have already explained, if we look at the world as if it were travelling in a car, finance would be the driver. Citizens and politicians would be luggage. We should have the citizen in the driver's seat and finance behind - but not as luggage. This implies creating a new financial system, have a new plan on the lines of "Bretton Woods" and not just follow the dictates of the International Monetary Fund as the ultimate creditors. One would have to call a world conference, which I would call a conference for financial peace, and create a new world authority for financial security. This would imply deflating the "financial bubble". One cannot leave two thousand billion dollars circulating as at present.

We must start thinking out the necessary measures: charges on speculative movements of capital, abolition of the thirty-seven fiscal paradises and of the hundreds of "free zones" in the world. We must also do away with banking secrecy. All these measures are possible, and Catholics are in duty bound to take part; and not just take part, but be front line militants in such a cause. Not just spectators! So we have to give full thought to finance, go beyond ethical finance, and find out what can possibly be done.

Since 1950 the world has become five times richer. The world's yearly income today is more than forty thousand billion dollars. In 1950 we had eight thousand dollars at a constant rate of exchange.

How is it then that there are always an increasing number of people without access to hospitals? And that the "Médecins sans Frontières", winners of the Nobel Prize for Peace, were compelled last November to launch a campaign for "medicines for all"? And International Education again appealing for education for all? The world five times richer than before and people left with less education and less medicines! This is the new globalization we must aim at: to find out how to organize the riches of the world. A new world fiscal policy is needed. Not an easy task, but it has to be done. We have to think hard, and act.

3. The *third* strategy for the new globalization is to find out new ways of parliamentary democracy, making it more transparent and representative.

Remembering that each time Parliaments - citizens' political representatives - lose their power, it is we, the voters, who are the losers. Hence we must find parliamentary forms at all levels, and regain control of the city. There is a movement in Britain together with "Jubilee 2000" which calls itself "Reclaiming the cities": the people who want to regain the right of taking part in matters affecting their cities. This is important if we give politics its true value. We must not be frightened of politics, because we ourselves are the politicians. We must regain these public spaces for discussion (agorà), this *res publica* that has been reduced to an indistinguishable mass. *Res publica* at world level. Discover the world's common goods, of which water is one example.

4. The *fourth* element of the strategy: learning how "to greet" one another.

Including the one we do not see, the one we do not know, and above all, the one who is and will remain different from us. Not the one who can possibly become like us, but historically will always remain different.

"Greeting" another is important. It is a prime objective in a policy of education. It comes before learning to read, write, and calculate. It is the main educational function in a society, which has to be global, because being global essentially implies alterity.

We cannot exist without the presence of those who are different. This alterity is the basis of living together. We are quite aware of the fact that the first form of life, the single cell, reproduced itself by cloning. (And now we boast of returning to cloning human life!).

What has given life its greatness and beauty? The fact that through sexual reproduction, it is generated by two different beings. Through this encounter between the two different human beings, life has its origins, and has multiplied.

Thus I see learning "to greet" another as the fundamental basis for the "other" globalization.

(text translated and not revised by the author)

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Catholic Action: lay faithful who live the ever newness of the Gospel and are a sign of communion

THE LASTING ACTUALITY OF A GIFT OF THE HOLY SPIRIT