## INTERNATIONALIZATION OF CAPITAL (GLOBALIZATION) AND DEMOCRACY

## ASSOCI. PROF. DR. UĞUR SELÇUK AKALIN

1. Although not named, the process of globalization, whose foundations had been laid and frame had been drawn after the Second War, has reminded itself with a neo-liberal diction and started to preside over the world economy with all its strength. The world has now only been discussing one development model. Produce in order to export on the basis of creating and depending on flexible labour—power markets. Decrease wages and let the trade expand, i.e. make use of free trade in such a way that it takes no notice of obstacles during the expansion of the process of globalization<sup>1</sup>. Acknowledging of this process started to reveal itself in different forms depending on the ideological track of the parties in power ruling the roost- in countries. However, no matter what those ideological tracks are resistance against this formation has always been far to inadequate in a structure with only the emperor of the world or they have been let into practice with relative application time and doze, yet without deviating from the policies commanded by the world empire. 2. In other words, neo-liberal policies, which are being employed by the Right Ideologies, have let to happy faces among the up-holders of these ideologies in the process which has been started to realise the globalization objectives. When social democratic parties and their ideologies are concerned, despite retaining the idea of approaching the process attentively, they have evaluated that it is inevitable to vield to divine justice within this process and had no objection in following in the steps of imperialism —globalism. This line lies in the essence of social democratic mode of thinking and has been given its places as a buffer in the system by capitalism to amend the system when its under and to realise its interferences to the extend permitted.

3. Going off the beaten tracks of imperialism, mentioned above, can neither be allowed by the capital nor is a dilemma of social democratic line. More clearly, it is suggested with globalism that the matter in question is the mode of integration<sup>2</sup>. Thus, the practices which would realise the mode of integration would be neo—liberal one. Beyond this in underdeveloped countries neo—liberal applications are actualised by leaving them in the hands of a superior organ —International Monetary Fund (IMF), World Bank (IBRD), World Trade Organisation (WTO)<sup>3</sup>, etc.— beneficial to national bourgeois, which has no antagonism with imperialism. Therefore, it is not possible to mention that national bourgeois is devoted to the government with gratitude.

4. Despite all this, the continuity of the process of globalisation will reinforce its entity on transnational organs and the existence of nation—state<sup>4</sup>. Therefore, neo—liberalism will

## fifi/marxism/article/glob137.htm,

<sup>\*</sup> Marmara University, Department of Economics, usakalin57@yahoo.com phone number: (532) 473 88 27

<sup>&</sup>lt;sup>1</sup>David Yaffe, "The Politics and Economics of Globalisation", <u>http://easyweb.easynet.co.uk/~rcgo —</u>

<sup>&</sup>lt;sup>2</sup> By mode of integration, I mean "globalization" and "new world order" in economical and political sense, respectively,

<sup>&</sup>lt;sup>4</sup> Sungur Savran, "Küreselleşme mi, Uluslararasılaşma mı? (1), Sınıf Bilinci, Kasım96, No:16, pp. 51—52 and 55—64,

continue to exist within the frames of the world economy especially with the survival of the nation—state, let alone the globalism up—holders' false interpretations that nation—states will disappear.

5. Meanwhile, another opinion spread by globalization defenders is that it is an process of no return and it has no other alternative —TINA (There Is No Alternative). What lies beneath the desire to spread this process all over the world is the economic failures that individual country economy and therefore the world economy suffers. It is certainly true that there is inadequacy and failure in the capitalist world economy. However, they are the very frustrations of capitalism in its motives of ownership and power balance, or in other words they are the consequences of these motives. As a matter of fact, the contradiction between the dilemma of ownership relations and use of power balance, which exist in the nature of capitalism, shows itself as a triggering factor in the formation of state inference and the gradually expanding exertion area of the capitalist state in consequence of an unavoidable failure of the system.

6. As I mentioned above, the process named globalization depends if and only if on the domination of military power for the present and expands its methods of opening and obtaining new areas in order to continue its hegemonic structure, which strengthens its single polarity. Possessing political power and manipulating world affairs displays themselves clearly with the achievements of military power, too.

7. In other words, single polarity formed by achieving political power determined by military power and the use of it, which is certainly in the keeping on the leadership and the hegemony of the U.S.A., exerts itself with its utmost strength. Therefore, economy appears as a influencing factor on politics<sup>5</sup>. What creates this development is the existence of the market economy, which has been tried to expand. Hence, sovereignty or independence stands for economic sovereignty or economic independence which leads to the abolishment of ethical boundaries, as an inevitable consequence of the market economy, let alone of geographical boundaries.

8. While all these are in progress, another notion, democracy, has been promoted in regard to the improvement of the process of globalisation. By emphasising that it is worth considering from social, political and economic points of view, "democracy" has acquired a significance with its frequent use as much as globalization despite the fact that it has always been a term disregarded by capitalism<sup>6</sup>.

9. Democratic attitude, which was used once upon a time as the synonym for the term "anarchist", seems to have discarded this severe accusation within the frames of contemporary needs. In spite of the fact that countries have never adopted globalization intrinsically by using their democratic rights to choose, being democratic is regarded as a privilege and an elegant feature of avant—garde elitism.

<sup>&</sup>lt;sup>5</sup> For more details see, Hans Köchler, "Philosophical Aspects of Globalization—Basic Theses on the Interrelation of Economics, Politics, and Metaphysics in a Globalized World", (ed.), Hans Köchler, **Globality Versus Democracy, The Changing Nature of International Relations in the Era of Globalization**, Vienna, International Progress Organization, 2000, p.6,

<sup>&</sup>lt;sup>6</sup> Samir Amin, "The Consequences of Unequal Development",<u>http://www.unu.edu/unupress/unupbo--- oks/</u><u>uu.32mrOj.htm#theissueofdemocracy</u>,

10. Therefore, the integrity of "democracy" and "globalization" presents contradiction. That is the reason why "democracy" is a term which should be abolished as soon as it is fulfilled due to the up—holders of globalization, i.e. when this new face of imperialism invents another term in order to be able to survive and when it needs the existence and functions of democratic periods and organs no more<sup>7</sup>.

11. In other words, the one and only requirement of the capitalist system is competition between individual capitalists. Therefore, it is prevalent that to what extent competition provisions, required for the survival of the capitalist system, can be maintained depends on the relation of the system with democracy, democratic processes and institutions. Thus, it is emphasized on every chance that only by the co—operation of the market with democracy and optimisation of such an achievement can the globalization process be successful. At this very point, it is necessary to make a distinction by what globalization up—holders state and what lies beneath their statement, which is to say what the current up—holders of neo—liberalism imply with "competition" is nothing but "monopoly".

12. Before going any further, I have to clear out one point to what extent will the welfare state, which can be said to have reached its peak in 1960s, survive within the process of globalization? The answer of this question should be given. In other words, how powerful bourgeois—featured democracy—bourgeois democracy— which the western imperialists said to have constituted in 250 years<sup>8</sup>, is in order to maintain the existence of the welfare state and to what extend it holds such an intention, should be surveyed. When welfare state is concerned, the existence of social politics, their continuability and importance should be considered. Hence, it is emphasized that democracy and election process should lie in the basis of present social politics and/or its future application.

13. With this viewpoint, existence of the welfare state is declared to be the cornerstone of western imperialist countries<sup>9</sup>. Beyond this, what is exactly highlighted is that the very existence of the process of democracy and democratic organs resists the process of globalization, which deteriorate social politics and it also overtakes an excessive deterioration and disappearance<sup>10</sup>. To what extent is this the success of the process of democracy and democratic institutions? To be more exact, could this be evaluated as an achievement (success)? In other words, is the purpose and the target to reinforce the power of democratic process and institutions and take further steps? Or is it a decision to retreat when confronted with neo—liberal attacks?

14. In short, could this achievement be evaluated as the success of democracy? With reference to the above, let the forward to one side the defence set behind the midfield, which means the inevibility to give away one or more goals leading to the loss of the game.

<sup>&</sup>lt;sup>7</sup> Edward S. Herman, "The Threat of Globalization", **New Politics**, Vol.7, No.2 (New Series), Whole No.26, Winter 1999, p.3,

<sup>&</sup>lt;sup>8</sup> John Ralstun Saul, "Democracy and Globalisation, Responding to the Introduction by John Free—hand and Bob Eltis", <u>http://www.pmayhem.org/articles/democracyandglobalisation.html</u>,

<sup>&</sup>lt;sup>9</sup> Ramesh Mishra, **The Welfare State in Capitalist Society**, Harvester Wheatsheaf, 1990, p.32—33 and P. Pierson, **Dist-mantling the Welfare State**?, Cambridge, Cambridge University Press, 1994,

<sup>&</sup>lt;sup>10</sup> Ramesh Mishra, Globalization and the Welfare State, Cheltenham, Edward Elgar, 1999, p. 54,

15. As I implicitly implied at the beginning of the article, policies of the social democratic parties are no different from the ones of the Right<sup>11</sup>. Nowadays, the one and only mission of social democratic parties ' reputed to have social policy suggestions and applications, making them distinct from the Right, is nothing but efforts to postpone the reduction and forsaking the rights gained before when confronted with the globalization process. It is a pity that they are proud of these efforts and grateful to have democratic institutions and election process<sup>12</sup>.

16. In other words, in spite of campaigning during the election period of by claiming that they are distinct from the Right Ideologies and parties, after they come to power they will not keep their commitments when encountered with strategies to melt away the social policies which have been established in the process of globalization by up-holders of globalizational. Hence, their above efforts can be depicted as a so-called attempt to save themselves, as their promises on the behalf of electors are concerned.

17. Thus, at this very point what stands up to social democratic parties' system—allied policies and the only dependable resistance point is proletarian movements. For many years, they have been the only trustable driving motor in order to form and carry on democratic institution and processes. That is the reason why it should be realized that what could face up to the completion of the globalization process is the progressive trend of proletarian movements, and the historical fact and success of the proletariat should never be ignored. 18. Since the only factor that can be counted on in the struggle against the process of globalization is the proletarian movements, strategies developed by globalization up-holders against a probable opposition and the progress level of mutual interactions of the proletarian movements against it, will be the last attack and a determinant factor of its goal of imperialism.

19. At this point, deunionization attempts appear as a move which globalization up holders try to expand against probable steps that the proletaria will make in opposition to the process of globalization. To be frank, imperialism's specific attacks towards the proletariat and general attacks towards workers in general have gained momentum recently. Imperialism does and has never cared about democracy. Welfare State, formed with Keynesian policies between 1945-1970 have created advancements which need no class formations. As mentioned above, as the present day up-holders of neo-liberalism are very well aware that the only power to challenge the process of globalization is the proletariat, they try to break one of the basic resistance points of them, namely, unionization. This indicates that imperialists have no intention of establishing and improving democracy. In addition to deunionization attempts, IMF policies concerning developing countries, privatization, irregularity and arbitrariness of hot money, MAI, MIGA, etc. are moves made in order to reinforce the domination of imperialism on one hand and reduce economic rights

<sup>&</sup>lt;sup>11</sup> Vic George, Political Ideology, Globalization and Welfare Futures in Europe, Journal of Social Policy, 27(1), 1998, p.28, Rudolph J. Rummel, "Democracies Don't Fight Democracies", http://www.peacemagazine.org/9905/rummel.htm and Neil Fligstein, Is Globalization the Cause of the Crises of Welfare State?, European University Institute, Department of Political and Social Sciences, EUI Working Paper SPS, No. 98/5, p.47,

<sup>&</sup>lt;sup>12</sup> Mishra (1999), op.cit. p.55,

and freedom. Thus, while all these are taking place, we need to understand the reason why to pretend to be an apostle of democracy and should never have the fallacy of ignoring it. 20. First of all, the primary reason why the term "democracy" has gained so much popularity lately, is the change in the economic and political course of the U.S.A.<sup>13</sup>. Thus, widespread and popularized term —democracy— has transformed into an "essential" condition to realize the new US policies<sup>14</sup>. In other words, economic liberalization and internalization can only fulfil its function to the extent it adopts the desired formal democracy. Therefore, it should be very well discerned that the ones who have started and carried out the process of globalization do have the deceitful attitude to operate the term to their own advantages or throw it away to one side<sup>15</sup>.

21. The fundamental characteristic of the process beyond the hypocritical attitude of the ones who are in search of democratization, is that the thrust of democratization upon the eastern bloc and the third world countries within the democratization of political regimes and the globalization tendency of the imperialist world collide. This is also supported with another simultaneous tendency. A kind of liberalization attack of generalized "market power ", which intends the ideological rehabilitation of the absolute power of the private property. "Neo-liliberalism". The market-in literary terms- capitalism is taken as the basic axis of every "development" and such a development is seen as a part of "an unobstructable expansion in world scale". The desire to be fully open to the powers that are in charge of the world-wide evolution and the synchronous adoption of an inner system dependent on the "market" is handled self-evidently. Democratization is evaluated as an obligatory and natural consequence of submitting to the world-wide market rationalism. A simple deduction is derived from the argumentation above: Capitalism=Democracy, Democracy=Capitalism. In this way it is announced that socialism (and Marx, too) is dead<sup>16</sup>. This point of view is the take—off point within the democratization concept of current imperialist countries.

22. When one step back is taken from this point, the U.S.A.'s demolishing the regimes which contradict her advantageous special investment incitements and profit transfer poli-cies show her manipulating power in the world politics<sup>17</sup>. In other words devising formations which will be in accordance with and in support of policies determined by the U.S.A. within the frames of world system. ..., "democracy" may well become a flag --- or the figleaf — for continued exploitation and oppression of the South by the North<sup>18</sup>.

23. One can easily understand why globalization up-holders are in need of an immoderate formal democratization process by looking at their own statements. They start with stating that the process of globalization stands for a process which generates democratization on the basis of countries and regions. In other words, the dynamics of globalization is presented as the strengthening of democratic processes. However, what they aim at, thanks

<sup>&</sup>lt;sup>13</sup> Gills, Barry, Joel Racamora, Richard Wilson, "Düşük Yoğunluklu Demokrasi", (der.), Samir Amin, N. Chomsky, A. G. Frank, Düşük Yoğunluklu Demokrasi, Çev. Ahmet Fethi, İstanbul, Alan Yayıncılık, 1995, p.20, <sup>14</sup> **ibid**., p.11,

<sup>&</sup>lt;sup>15</sup> Noam Chomsky, "Yeni Dünya Mücadelesinde Demokrasi Mücadelesi", Samir Amin, v.d., **ibid**, p.100,

<sup>&</sup>lt;sup>16</sup> Samir Amin, "Bugünkü Üçüncü Dünya'da Demokrasi Sorunu", Samir Amin, v.d., ibid., p. 76,

<sup>&</sup>lt;sup>17</sup> Gills, v.d., **op.cit.**, p.26,

<sup>&</sup>lt;sup>18</sup> Andre Gunder Frank, "Demokratik Olmayan Bir Piyasada Piyasa Demokrasisi", Samir Amin, v.d., **op.cit.**, p.47,

to globalization and democracy as its outcome, is immediately detected. market competition is used as an interval healer, a remedial amulet. The main purpose is to guarantee transnational investments<sup>19</sup>. Frankly, what they are merely after is the world—wide domination of the international capital and this more efficient than military power based domination.

24. As a result, what the process of globalization will bring is a democratization period which will carry on under the control of the minority. Thus transformation of it in the hands of the minority —capital— is the matter in discuss<sup>20</sup>. What's more, when the capital becomes a monopoly in terms of economy and politics, the potential to form an opposition is weakened. The primary prerequisite of a real democracy is to be independent of the domination of the capital as globalization is a threat on democracy<sup>21</sup>.

25. Civil and economic freedom which will be consumed by the market factor should be expanded and re—organized and used in order to protect the benefits of a wide mass of people by expanding democracy and abstracting the process of globalization from its context given by globalization up—holders. Moreover, the factor to determine the course to be followed in opposition to the process of globalization will be the regulations made by the labour power within the frame of labour power—capital antagonism.

<sup>&</sup>lt;sup>19</sup> Edgardo Mercado Jarrin, "The Concept of Globalization in the Interdisciplinary Context", Hans Köchler, **ibid**, p.40—41 and Ruud Lubbers and Jolanda Koorevarr, "Nation State and Democracy in the Globalizing World", http://www.kub.nl/globus/Lubpdfs/Globaliz/Global.08pdf,

<sup>&</sup>lt;sup>20</sup> Uğur Selçuk Akalın, "Emperyalizm: Dünden Bugüne", Müdafaa—i Hukuk, 28 Şubat 1999, Yıl:1, Sa— yı: 7, p.32,

<sup>&</sup>lt;sup>21</sup>John Markoff, "Globalization and the Future of Democracy", **Journal of World—Systems Research**, Vol.V, 2, 1999, s.6,

## REFERENCES

Akalın, Uğur Selçuk , "Emperyalizm: Dünden Bugüne", **Müdafaa—i Hukuk**, 28 Şubat 1999, Yıl:1, Sa—

yı: 7,

Amin, Samir, "The Consequences of Unequal Development",

http://www.unu.edu/unupress/unup books/uu.32mrOj.htm#theissueofdemocracy, Amin, Samir,"Bugünkü Üçüncü Dünya'da Demokrasi Sorunu", der.Samir, Amin, N.

Chomsky, A. G. Frank, **Düşük Yoğunluklu Demokrasi**, Çev. Ahmet Fethi, İstanbul, Alan Yayıncılık, 1995,

Chomsky, Noam, "Yeni Dünya Mücadelesinde Demokrasi Mücadelesi", der.Samir, Amin, N.Chomsky, A. G. Frank, **Düşük Yoğunluklu Demokrasi**, Çev. Ahmet Fethi, İstanbul, Alan Yayıncılık, 1995,

Fligstein, Neil, **Is Globalization the Cause of the Crises of Welfare State?**, European University Institute, Department of Political and Social Sciences, EUI Working Paper SPS, No. 98/5,

Frank, Andre, Gunder,"Demokratik Olmayan Bir Piyasada Piyasa Demokrasisi", der.Samir, Amin, N. Chomsky, A. G. Frank, **Düşük Yoğunluklu Demokrasi**, Çev. Ahmet Fethi, İstanbul, Alan Yayıncılık, 1995,

George, Vic, Political Ideology, Globalization and Welfare Futures in Europe, **Journal of Social Policy**, 27(1), 1998,

Gills, Barry, Joel Racamora, Richard Wilson, "Düşük Yoğunluklu Demokrasi", (der.), Samir Amin, N. Chomsky, A. G. Frank, **Düşük Yoğunluklu Demokrasi**, Çev. Ahmet Fethi, İstanbul, Alan Yayıncılık, 1995,

Herman, Edward S., "The Threat of Globalization", **New Politics**, Vol.7, No.2 (New Series), Whole No.26, Winter 1999,

Jarrin, Edgardo, Mercado, "The Concept of Globalization in the Interdisciplinary Context", (ed.), Hans Köchler, **Globality Versus Democracy, The Changing Nature of International Relations in the Era of Globalization**, Vienna, International Progress Organization, 2000,

Köchler, Hans, "Philosophical Aspects of Globalization—Basic Theses on the Interrelation of Economics, Politics, and Metaphysics in a Globalized World", (ed.), Hans Köchler,

**Globality Versus Democracy, The Changing Nature of International Relations in the Era of Globalization**, Vienna, Inter—national Progress Organization, 2000,

Lubbers, Ruud and Jolanda Koorevarr, "Nation State and Democracy in the Globalizing World", <u>http://www.kub.nl/globus/Lubpdfs/Globaliz/</u> Global.08pdf,

Markoff, John, "Globalization and the Future of Democracy", **Journal of World**—**Systems Research**, Vol.V, 2, 1999,

Mishra,Ramesh, **The Welfare State in Capitalist Society**,Harvester Wheatsheaf, 1990, \_\_\_\_\_\_, **Globalization and the Welfare State**, Cheltenham,Edward Elgar, 1999, Pierson, P., **Distmantling the Welfare State?**, Cambridge, Cambridge University Press, 1994,

Rummel, Rudolph, J., "Democracies Don't Fight Democracies", <u>http://www.peace</u> magazine.org/ 9905/ rummel.htm,

Saul, John, Ralstun, "Democracy and Globalisation, Responding to the Introduction by John Freehand and Bob Eltis",

http://www.pmayhem.org/articles/democracyandglobalisation.html,

Sungur Savran, "Küreselleşme mi, Uluslararasılaşma mı? (1)", **Sınıf Bilinci**, Kasım 96, No:16,

Yaffe, David, "The Politics and Economics of Globalisa-

tion",<u>http://easyweb.easynet.co.uk</u>/~rcgofifi/ marxism/article/glob137.htm,