

## Book Review

### **Miroslav Pečujlić: Globalizacija – dva sveta (Globalization – Two Worlds)**

Belgrade, 2002, 213 pages

"When staying in Paris I communicate with my friend from Tokyo by means of e-mail, when I am immediately involved in watching cultural events worldwide without leaving my home, when the data of my personal dossier are being used by governments and corporations all over the planet without my knowing it, when I buy goods in other countries by means of the computer, the question lingering on the people's lips is: where is it that I live, who am I, to who and where do I belong?" This quotation of a thought by the German sociologist Ulrich Beck can often be found in books which deal with the process of globalization.<sup>1</sup> There is a deficiency of quality papers from this field in our country. Among the few and rare is the book written by professor Miroslav Pečujlić titled "Globalization – Two Worlds" which presents the first book in our language which in a systematic and at the same time a balanced manner analyzes the complex problem of globalization and is itself an outcome of serious dealing with this problem for many years.<sup>2</sup>

A particular quality of this book is the analytical approach that professor Pečujlić adheres to, having avoided a one-sided view at that – where globalization is either seen as a miraculous cure against all illnesses and thus praised without reserve or it is seen as the cause of every single existing problem. Pečujlić has approached globalization in a different way: multidisciplinary – by discussing the economic, cultural, sociological and political aspects of the process. This complex approach has provided for the creation of a more balanced insight into the entirety of the globalization process.

At the very beginning, in the introduction to the book, the author gives the Held's classification of analysts who deal with this problem - hyperglobalists, sceptics and

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<sup>1</sup> See: M. Cirić "Upravljanje sa one strane nacionalne države" (Government on the Opposite Side of National State), Belgrade, 2003.

<sup>2</sup> For the sake of reminding the public of some of the papers by professor Pečujlić which have globalization as main topic: "Stvaranje svetskog društva, procesi globalizacije" (The Creation of World Society, the Processes of Globalization, (Beograd, 1991, Savremena Sociologija, Stara i nova slika sveta), "Izazovi tranzicije, Novi svet i postsocijalistička društva" (The Challenges of Transition, the New World and Post-socialist Societies) (Beograd, 1997), "Repriza sudbinskih izazova" (A Repeat of Fateful Challenges ) (Podgorica, 1999.), "Planetarni kentaur" (The Planetary Centaur) (Beograd, 2001, Nova politička misao, vol. 7, br. 3-4.), "Paradoksi globalizacije i drama prilagodavanja" (The Paradoxes of Globalization and the Drama of Adapting), (Novi Sad, 2000, Zbornik Matice srpske za društvene nauke), "Trka između demokratske i autoritarne globalizacije" (The Race between Democratic and Authoritarian Globalization) (2001, a paper presented at the Congress of Politicologists), "Lavirint političke globalizacije" (The Labyrinth of Political Globalization) (Beograd, 2002, Anali Pravnog fakulteta).

transformationalists.<sup>3</sup> For the first group, globalization presents a "historic necessity" which cannot be disputed, and therefore unavoidable, whereas for the sceptics globalization is only a "well-packaged myth" which only masks the real state of affairs of much lesser degree of world integration than it used to be before (on the eve of the World War I, for example). The transformationalists are somewhere in between these two extremes. To put it in simpler terms, they accept the reality of the process of globalization, but they consider that its route and form have not been predetermined by anything. However, the truth about globalization, its realistic image is an exceedingly complex one and surpasses any oversimplified, half-true insights into the matter. The truth cannot be reached by taking into account only one of its features and ignoring the others, but by the ability to have a wide view of its deeply contradictory character and almost unmatchable forms, of its duality.

Also in the introduction, professor Pečujlić offers his "complex theory of globalization" in ten fundamental hypotheses, which actually represent the structure of the book itself: globalization is a form of evolutionary development from the isolated groups of humanoids to the modern world order; the creation of the World Society is not characterized by an unremitting evolutionary path; it signals an objective planetary process of making a dense network of interrelatedness of activities and society; the decisive dimension of globalization is embodied in the form it assumes; the form of globalization is the result of a clash of different interests and world views: Keynesian - Socialdemocratic and Neoliberal; the neoliberal form of globalization is contradictory – it contains two totally different images which are a match of the unmatchable; an essential feature of globalization is its duality – comparative progression and regression; "the Four Riders of the Apocalypse" – the peril of ecological disaster, the catastrophe produced by nuclear, biological and chemical weapons, the malignant growth of poverty and the conflict of civilizations, the global terrorism – are raiding the planet: the anti-globalistic fundamentalism presents a runaway to a "ghetto-society"; the necessity of democratizing the global order – the transnational and supranational institutions; the creation of a decent "World Society", the indispensibility of untying the Gordian knot of the epoch – the simultaneous necessity of democratic changes which would alleviate the adverse effects and the risks of the turbo-globalization at its full swing and the feebleness of the alternatives.

At the beginning of the book, in the first part titled "A Retrospective – the historical forerunners", a systematic and considerably detailed description of the origins of the modern world system has been given. It has been pointed out that it is not a modern age phenomenon, particularly not anything that has appeared in the last ten years or so. At one moment in the book professor Pečujlić quotes the following words: "Old national industries have been substituted for new ones which employ raw materials from the farthest parts of the world, industries the products of which are sold not only on domestic markets, but in every corner of the planet. In the stead of local, national isolation and complacency, there occurs an all-out communication, a universal interdependence of all nations". Eventhough at first glance these words may appear to be describing the contemporary world, we soon find out that these were the words of Karl Marx on the

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<sup>3</sup> D. Held, "Demokratija i globalni poredak " (Democracy and the Grobal Order), Belgrade, 1997.

consequences of market economy expansion. The contemporary world order is the fifth one in the historical gallery of "world orders" which have been consecutively replacing each other on the world stage since the beginnings of modern society till this day.<sup>4</sup> This system was "born" in the sixteenth century as an offspring in the "marriage" of modernization and westernization.

In the first of the three chapters in the second part of the book, titled "The Two Images of Contemporary Globalization", the causes and kinds of ever so related planetary space have been explained. It is emphasized that first of all the technological revolution has had a far-reaching effect on the way modern societies function, having brought about, as Pečujlić puts it, "a compression of space and time".<sup>5</sup> Particular importance has been ascribed to the development of information technologies which facilitated the rapid transmission of enormous masses of information planet-wide. The information revolution leads to the broadening of local horizons, the creation of a cosmopolitan "Davos-culture", the formation of world citizen's identity.

Drastic changes occurred in the fields of economy, politics and culture, too. Global economy is run by the "triumvirate of powers": transnational financial capital – the master of economy, the economic dinosaurs – transnational companies and the world economic referee – the IMF. The transnational corporations which embrace the world in their planetary odyssey for profits, cheap labour and natural resources have been grouped into ethnocentric, polycentric and geocentric.<sup>6</sup> Only ten countries in the world have incomes which are larger than the capital of the biggest corporations: the assets of the largest 500 giants reach up to fantastic 32.000 billion dollars. In the analysis of the functioning and the effects of the global "casino-economy", Pečujlić mentions the definition of globalization provided by George Soros – he views globalization as a dominance of financial markets and multinational corporations over national states. Thus, the transnational financial capital has become the key factor of the economic integration of the world. The author identifies the positive effects that economic liberalization brings about (the growth of economic efficiency and world wealth), but also the social and political problems which appear as consequences of the functioning of world economy (poverty, relocation of "unclean" technologies to underdeveloped regions, ever so intense political conflicts, new environmental problems, and of course, there is also the so-called pathological twin of globalization – Pax mafiosa).

What is particularly worth drawing attention to is the analysis of the creation of a global political system. The contemporary epoch is characterized by increasingly stronger links and interdependence of sovereign states, but by the creation of vertical interdependence, as well – the establishment of supranational political institutions. The building of the "world political system" is being erected at a rapid pace – says professor Pečujlić. An important trait of political globalization is the expansion of democracy.<sup>7</sup> The

<sup>4</sup> Those are: the Iberian, under the hegemony of Spain in the 16<sup>th</sup> century, then under Holland in the 17<sup>th</sup> century, Pax Britannica in the 18<sup>th</sup> and 19<sup>th</sup> century and Pax Americana after the end of the "Cold War". The author of this classification is T. Knutsen (The Rise and Fall of World Orders, Manchester University Press, 1999), and it is quoted on page 44.

<sup>5</sup> "If in 'the Kingdom of Heaven' God created the Earth in six days, the technological revolution reformed the real world in only 60 years, in the life span of a single generation" – p. 54.

<sup>6</sup> Ibid, p. 66.

<sup>7</sup> "Since the overthrowing of the dictatorship in Portugal, in 1974, the number of democracies in the world has

foundations of the international regime of human rights are being set.<sup>8</sup> Another significant moment has also been stressed: towards the middle of the eighties of the last century, America made a U-turn, it ceased supporting dictatorships, launched the big project "Promoting Democracy", established a planetary network of non-governmental organizations which are to uphold the said project. The hunger for democracy, "imitation", presents a strong force of democratic transition. Characteristic democracies are being established: "low intensity democracies" or "limited range democracies". The principle upon which they are based is isolation of government: from the moment it is elected, the new administration is "isolated", protected from the pressures and demands on the part of the people, so that the government could "efficiently" do its job, and above all meet the demands of the global order.<sup>9</sup>

The global economy and global political system are accompanied by the globalization of culture. "Global culture can be envisaged as a giant tree whose trunk is made of the planetary massive consumer culture, and whose top is endowed with the finest of fruits: cosmopolitan identity. The feeling of belonging with the world." There occurs a harmonization of living styles and de-territorialization of culture. In spite of that, national cultures do not die out, they manifest a surprising vitality. The author believes, as Huntington does, that the central feature of the post-bipolar era are the ethnic, national and religious conflicts on micro scale, and the clash of civilizations on macro scale.

The key question of globalization, as being considered in the five chapters of the second segment of the book, titled "Symptoms of Authoritarian Globalization", is the question of its form, i.e. the manners of manifestation of globalization. Does it signal a gradual spreading of economic well-being or an ever greater abyss between worlds? Does it lead to the annulling of national cultures and a civilization clash or to their mutual enrichment? Does it move in the direction of a global democracy or an authoritarian world state, renewal of wars or peace, harmony with nature or its unstoppable destruction? The forms of globalization are not predetermined or inevitable, they are a result of interests and influences of people, their aims in life and finally their ideals. How does a particular form of globalization originate, spontaneously, by itself, or are we speaking in terms of creators of globalization?

The decisive impact on the prevailing form of globalization, professor Pečujlić thinks, is to be found in the downfall of the wing which stood for a staunch supporter of "Social Capitalism" and the "Welfare State", and the rapid ascent of "Reaganism" and the more militant wing of the power élite.<sup>10</sup> To a great extent, the shape of today's globalization is

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experienced a cosmic rise, it rose from 39 to 117 ", professor Pečujlić cites the words of L. Diamond ("Is the Third Wave Over?", *Journal of Democracy*, vol. 7, no. 3, 1996).

<sup>8</sup> "The spreading of human rights is limited only to civil and political rights, the first generation of human rights. The spreading of the group of economic and social rights, i.e. "the second generation" of rights, is not only underdeveloped, but also in a number of countries it sinks as shagreen, shares the fate of the dying-out social state." See page 88.

<sup>9</sup> An interesting issue is the lasting of democracies: "In a country with less than 1000 dollars per capita, democracies can last on average for 8 years, and 16 years in societies with double that income. In countries with over 6,000 dollars of income per capita, democracies are, as a rule, permanent. "Poor democracies are particularly fragile in times of economic crises", the author quotes on page 90 the findings of A. Przeworski ("What Makes Democracies Endure"), *Journal of Democracy*, vol 7. no.1, 1996).

<sup>10</sup> "The project of the New World Economic System", which existed for full three decades, is the result of a huge historical compromise between two powerful factors: the national bourgeois strata of rich western societies, the

a product of the interests and world views of the transnational power élite, the "Global Hawks", which is composed of: the owners and top executives of large transnational corporations, the political élite (Group 7 leaders, directors of supranational organizations such as the IMF and World Bank), the intellectual élite and parts of the "Third World".

A great shift in the historical form of globalization, the launching of the neoliberal project of "turbo-globalization " took place in the beginning of the eighties of the last century. The far-reaching change in strategy is an immediate consequence of the new balance of power among large social groups: the decrease of power with the national bourgeois stratus and the working class, and the irrepressible rise of the neoliberal wing of the global power élite, its transformation into the creator of the new global order. A fateful change in the "paralelogram of powers" is taking place, first on the stages of the leading national states and then on the global scene. Winning the chief positions in supranational institutions, the program of "Structural adjustment " and the "Shock therapy", mark the new project of globalization, which transforms the social relief of the earth as a "steam machine".

Discovering the forces that govern globalization, however, is faced with almost insurmountable obstacles: secrecy and concealment, decision-making behind the curtain and on the far-off stages of the world. Professor Pečujlić's criticism of the "neoliberal project of globalization" is directed to its basic traits: globalization of poverty, the symptoms of an "Authoritarian World State" and super-destructive, permanent and preventive wars. Here we are going to make a short retrospection of these traits.

Globalization which is "too severe, too unjust for a great many people", is turning the "contemporary arena" into an eruptive ground. The profits of large transnational corporations have risen up to 700 percent. The rhythm of enrichment of the world's 200 richest individuals is 500 dollars a second, while at the same time: "Inequalities are reaching unimagined proportions. Half of the humanity lives in poverty, more than a third in utter indigence. Around 800 million people suffer from malnutrition. Almost a billion people are illiterate. A billion and a half have no drinking water, and at least two billion people still have no access to electricity."<sup>11</sup> The gap between the wealthy and the destitute is expanding at a growing rate: for the period of two and a half decades, it has skied from 1:60 to 1:84. Economic growth has been recorded in only fifteen countries, and over a hundred countries are found in the whirl of stagnation and recession.

When it comes to the second trait, professor Pečujlić distinguishes between two tendencies, two opposite poles. On one pole, the European Union presents a living prototype of a democratic transnational political organization. Instead of the abolition of national sovereignty, a "common, shared sovereignty " is professed – the authority which is lost on the national level is compensated for by partaking in decision-making on the regional level. On the other pole, we are faced with the tendency of formulating the "Authoritarian World State". Professor Pečujlić quotes the words of W. Robinson: "The famous Weber's definition of the state as a "legitimate monopoly of power on certain territory" seems to be being raised from the local to the planetary level."<sup>12</sup> The militant wing of the global power élite, primarily its American echalon, has a tendency of becoming the sole

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promoters of the "controlled Social Capitalism", and the Group 77, the stasqq of the Non-alignment movement".

<sup>11</sup> A quotation from the Serbian edition of "Le Mond Diplomatique", November 2002.

<sup>12</sup> W. Robinson: "Promoting Polyarchy: Globalization, US Interventions and Hegemony", Cambridge, 1996.

instance of decision-making ("a sovereign"), of turning national states in mere state of transmission, its local executioners. It announces the death of the national state, i.e. sovereignty, as a remnant of by-gone times; the power of international law is being replaced by the right of might. The territory to which this power is spreading becomes global. Power assumes the face of a new planetary military interventionism. On the other hand, legitimacy, ideological justification is provided by the conception of selective military-humanitarian interventionism.<sup>13</sup>

A question is posed: where does the central role of military dominance in the Great Transformation of the world stem from? First, the response of the militant wing of the global power élite to the deep environmental crisis, increasingly scantier natural resources on which the economy is dependent can be found in the establishment of utter control, a sort of "quasi-ownership" of the superpower over the natural resources of the planet, based on military occupation of the very sources and routes of transfer. Second, the real mortal danger of global terrorism can be misused by the "Global Hawks" for the introduction of overall control of the population and narrow geostrategic interests.

Finally, their greater reliance on military power – where they have absolute supremacy – is supposed to deter the old rivals, who are on their knees, from creating a counter-hegemony coalition. Nevertheless, this simultaneously leads to establishing firm foundations of supremacy, even over the allies. In this light can be construed the harshest conflict so far between the US government and the major European powers: Germany and France which are being denounced as old, archaic Europe. The turn from a multipolar to a unipolar world is taking place. The authoritarian form of globalization will transform into a source of risk and danger which has been convincingly and succinctly formulated by a double winner of the Pulitzer prize Thomas Friedman, one of the most prominent promoters of globalization. "The greatest threat to globalization today is globalization itself; it contains a seed of its own destruction. It can become so oppressive that the great majority of the population of large countries feel as though they were losers, and therefore endanger the maintainance of the whole system."<sup>14</sup>

The concept of a world regime without hegemony, of a "classless world community" presents an unreal, Utopian vision. Thus, the type of hegemony becomes the crucial question. In the last, the third, chapter of the second part of the book, which is titled "Democratic Globalization", the development of a more humane image of globalization is described: the project of democratization of the global order and there is an attempt at answering the strategic question: how should one treat globalization?

The circle of participants in this act is ever so expanding – individuals, groups, the intellectual élite, even those belonging to the democratic wing of the global power élite, who, driven by the dark side and risks of the authoritarian globalization, are incited to a more energetic engagement in the struggle for a different, more humane face of global-

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<sup>13</sup> The analysis of the agency "Stratfor, Strategic Forecast" stands a firm witness of this turn by the author: "The terrorist act on the 11th of September osqgered a chance to President Bush to start a new mission, new framework for a global action against the comon enemy: global terrorism. The new mission of America is an aggressive, global police-like control, a total war with no limit. The debate has ended, the world is unipolar – you are either with us or against us."

<sup>14</sup> A quotation from: *The Lexus and the Olive Tree, Understanding Globalization*, New York, Farrar Straus Giroux, 1999.

ization. The new social movements present the central factor of this circle, which, however, out of sheer misunderstanding or due to a tendency of ideological disqualification are erroneously labelled as "anti-globalistic". The prepondering majority is composed of the members of thousands of organizations from the whole world who strive to peace and environmental balance, a more just and solidarity-oriented world – writing off debts to poor countries, minimum starting income for every citizen of the world, making corporations be committed to greater responsibility for the rights of workers and consumers, a more representative participation of countries in the supranational institutions, a reform of the United Nations Organization, reducing human rights violation, pluralism of cultures, tolerance.

Eventhough alternatives are indispensable, they are at the same time incapable of coaxing even the slightest corrections out of the dark sides of globalization. With this, the "World Society of risk" which we live in becomes even more fraught with risk. The great schisms, social conflicts at the turn of the millennium, do not therefore present fighting for or against globalization, as much as they present a conflict over its form: more humane or inhumane, democratic or authoritarian image of globalization. The resolution to this conflicts will decide the future of the world, the future which has already begun.

At the end of the book the professor gives an account of our position within globalization. For Serbia, at this historic moment of shifting from one planetary orbit to another, from a ghetto-society to the European Union, creative responses to the challenges of globalization and preservation of own identity become questions of mere existence. Understanding the labyrinth of globalization cannot be reduced only to the question of how we are to know more about the world, but how we are going to live. A productive, life-giving response to the perils of the authoritarian form of globalization is not to be found in isolation from global trends and courses. As first, it would be an "unfeasible Robinsonade" in the ever so linked contemporary world, a road to the ghetto. Second, a creative adapting to the imperatives of the new era – openness to modern technologies, contemporary and rational economy, expansion of human rights – is a genuine need of the society. Only utter extremists can think of the new millenium as of a world of self-content national economies, modern technology as the new evil, or think of isolating the national culture from the virus of the cosmopolitan one, of waging a "holy war" against interdependence, seeking a retreat in the local fortresses of local and national exclusiveness and fundamentalism. Freeing oneself from the artificial dilemma: for or against globalization and discovering the true battlefield: against the authoritarian and inhuman globalization, is the first and decisive step to the direction of better outcomes. Within this issue, the author is also very critical of the transition process, as a part of the process of globalization. The problem is again the form of transition: "In the economic jungle of the original accumulation of capital, the rival forces cross each other: the economy is nationalized, but the state is privatized, dissolved in a network of narrow groups which use the power as a lever of enhancing their private wealth." What could be a solution to this problem, according to the author, is a global state of well-being.

With the book by professor Pečujlić, we have been given a valuable analysis, which should be consulted not only by those individuals who want to get introduced to the basic questions and contradictories of the process of globalization, but also by those whose ambitions are much greater. This book warns the reader in a very convincing way that every simplified interpretation of globalization is wrong and counter-productive at least. It is

obvious even from this short review that professor Pečujlić raises a great number of questions, some of which have been the subject of serious theoretical disputes and arguments. It should also be added that the book has been written in a nice style, that the analysis is "vivid" and abounds in interesting details, so that it reads very easily and quickly.

Dejan Vučetić

Niš  
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