

In what ways does localisation challenge globalisation, if at all?

In this essay I will argue that localisation does challenge globalisation, but that an international approach is needed to deal with global environmental issues. Globalisation has many contested meanings because it encompasses a number of fragmented and to some extent contradictory trends (Sklair, 2010, p.115). In its descriptive context globalisation operates as part of a world capitalist market, so when talking about generic globalisation it's useful to separate it from the "dominant actually-existing type" (Sklair, 2010, p.115) of capitalist globalisation. In a normative context alter-globalisation proposes radically different relations of production and represents a break with the current rules of the world market.

In the debate around localisation and capitalist globalisation the two concepts are sometimes presented as antagonistic and the move towards globalisation as a natural process (Wolf, 2001, pp.179–181; Sklair, 2010, p.115). Capital escapes the deindustrialised service economies of the first world to the developing industrial giants of the third world. Therefore for those living in the imperial core localisation is a protective measure to stem capital flight to the periphery. At its most basic level the debate is a struggle between a national bourgeoisie often tied to material production, and international finance capital which moves freely across national boundaries and reproduces itself in the abstract.

Lenin observed that capital has a tendency to accumulate into ever-increasing monopolies (Lenin, 1916), and the emergence of multinational corporations in the neoliberal period serves as empirical proof of this. Therefore it is to some extent correct to judge capitalist globalisation as a natural process with the victory of international capital over national capital as the inevitable outcome.

The response of the national bourgeoisie is best described in Gordon Brown's slogan "a British job on offer for every British worker" (Brown, 2007). Behind the slogan was a policy of putting Britain's highly educated labour force at the service of multinational companies in order to drive capital back into the British economy. David Harvey invokes the notion of spatial and technological fixes to 'resolve capitalism's inner crisis tendencies' (Harvey, 2001, p.24). Brown's localism is a technological fix, it balances the technological advantage of developed economies against underdeveloped economies. High-tech industry is associated with efficiency and a low carbon footprint, it creates a small number of high value jobs. On the other hand low-tech industry is associated with pollution and inefficiency, it creates a large number of low-wage, low-skilled jobs. Brown's approach only adapts the British economy to the logic of global capitalism without seeking to resist the limits within which it operates, and in this way it is an incomplete localisation. New jobs may be created in Britain but the money made is not necessarily returned to the British people, in some cases profits are moved abroad where they cannot be taxed. For example in 2005 the Tax Justice Network estimated that across the world \$11.5 trillion of assets were held offshore¹ by 'high net-worth individuals' (Murphy, 2005, p.1). This variant of technological fix also accepts that labour costs must be minimised, Brown's high-tech industry would replace human labour with machine automation. In this way it can be critiqued from a luddite perspective in that it does not solve the problem of unemployment (Noble, 1995, p.111).

Localisation is better applied when it is contained in the national framework, the 'one nation' idea appeals to a sense of community and refers specifically to small businesses (Mahmood, 2013, p.47; Maddock, 2013, p.43). This is important because the central role of the petty bourgeois class in

1 'offshore' is used here to mean outside a company's area of operations and outside an individual's country of residence

local communities gives that class a patriotic character. The petty bourgeoisie have a relationship with their environment which is missing in large corporate enterprises. For example small landowning farmers have a connection to the land, so they tend to respect sustainable farming practices. This can be described as a 'metabolic relationship'(Foster, 2000, p.163) between human beings and nature in which humans close to nature come to understand its limits. Large enterprises have no such connection to the local community or to the environment.

In a study of family farming in China, Phillip Huang makes the point that when food prices drop below the level necessary to make a living the farmer can resort to subsistence farming(Huang, 2011, p.112). He also argues that family farms are suited to 'absorbing an ever expanding supply of labour'(Huang, 2011, p.112) on a scarce amount of arable land. This should be compared against large industrial agriculture which is efficient in terms of productive output per labour hour, but inefficient in terms of total productive output per square kilometre. The world population is predicted to rise by 11% from 7.2 billion today to 8.1 billion in 2025(Anon, 2013b, p.1). Moreover, when compared over the last decade the amount of arable land has hovered steadily around 1,380-1,390 million hectares(Anon, 2010, fig.A.4). Arable land only makes up 28.3% of the total agricultural area(Anon, 2013a, p.34), which shows some room for expansion. However unless humanity is able to make this expansion quickly it will need a global shift to labour-intensive and land-efficient local production.

More broadly the ideas of self reliance on a national scale can be seen in Juche thought from Korea(Ken-ichi, 2011, p.41) and in Sinn Fein thought from Ireland(Snodaigh, 1999). These variants of extreme localisation emphasise economic self-sufficiency and withdrawal from the global economy, a model which challenges globalisation in all its forms. Unfortunately there are some practical flaws with self-reliance, for example in the DPRK 15.2% of the population remains underweight(Stegen, 2013, p.2) and the government has difficulty feeding them without external assistance(Stegen, 2013, p.23).

The peasant movement 'la Via Campesina' has a concept of food sovereignty, which it defines as:

“the fundamental right of all peoples, nations and states to control food and agricultural systems and policies, ensuring every one has adequate, affordable, nutritious and culturally appropriate food” - (Brunetto, 2013)

This calls for decisions around food and agriculture to be devolved down to the local level, out of the hands of multinational corporations. Via Campesina's connection to grassroots action and its proximity to the sphere of production sets its concept of popular sovereignty apart from other state-led ideas of westphalian sovereignty.

Institutionalising food sovereignty would require a reorganisation of current models of ownership and accountability in order to put power in the hands of the producer. Via Campesina is itself a model of democratic organisation, however it does not translate outside of the structures of a social movement to local government. An alternative model is “planning plus legislation plus public funding plus public ownership”(Anon, 2003, p.26), this represents a spectrum of accountability from the legal to the economic. Economic and environmental planning would be operated on the basis of “informed mass participation”(Anon, 2003, p.26) although there are no details on how exactly this would happen. Also, public ownership in this case does not refer only to collectivisation via the nation-state, it could otherwise include co-operative or municipal/village ownership.

Returning to Harvey's solutions to capitalist crisis, globalisation can be treated as part of the spatial fix. Production requires labour and the labour force in the imperial core is too costly, so production moves to areas in the periphery where labour is cheaper. This is the spatial fix and it neatly mitigates the symptoms of overproduction and underconsumption on a global scale by separating production and consumption into separate spheres - production takes place in the periphery, meanwhile consumption takes place in the core.

Infrastructure gradually improves in developing countries and as the population demands a higher standard of living they bring about a consumer society. The new consumerism can only be sustained by higher wages, and so higher labour costs, thus reducing the profits of multinational companies and encouraging them to relocate to another source of cheaper labour (Kumar & Gawenda, 2013). This process continues until there is nowhere left to integrate into the world market. Just as labour is a finite resource the spatial fix can be applied to environmental resources too. The natural resources required to sustain human settlement in any given area can be exhausted over time by overexploitation and contamination. This refers primarily to water, the most crucial resource for human life.

As part of the spatial fix companies move polluting industries out to the countries with the least environmental regulation, these areas are known as pollution havens (Grether & Melo, 2003, p.3). The town of La Oroya in Peru is an example of one such pollution haven, where the US-based Penco Group owns a lead smelter. In 2008 children in the town had 'more than twice the acceptable level' of lead in their blood for adults (Fraser, 2009, p.5556). This is just one of a number of tragic case studies, however a review of the broader academic literature shows a scepticism over pollution havens. Although there are specific case studies of existing pollution havens, it's difficult to prove an overall trend linking low environmental standards to increased investment. Grether & Melo cite a study by Smazynska & Wei (2001) which finds no causal link between lax environmental protection and an increase in foreign direct investment (Grether & Melo, 2003, p.7). Scott Taylor accepts that environmental regulations are unique to the climate of each country and that there are a number of external factors (such as labour cost) which also affect foreign investment (Taylor, 2005, p.26). There is an influential legal complex dedicated to regulating pollutive industries, and it can be very effective, however Grether and Melo note that corruption can inhibit proper enforcement of regulations. They also note that the "dispute settlement mechanism of the WTO favors trade interests over environmental protection" (Grether & Melo, 2003, p.2).

An interesting dimension to the worst pollution havens is that they sometimes involve a collaboration between the local population and international business. For example, in Indonesia mercury pollution comes from artisanal small-scale gold mining (Anon, 2013c, p.17); in Ghana the salvage and recycling of e-waste is done on an informal settlement (Anon, 2013c, p.11). The processes occurring in these areas are localised, however they are the direct result of global processes: e-waste is imported to Ghana from all around the world, Indonesian gold is extracted for export on the world market. In this way localisation alone does not challenge globalisation, instead it becomes another arm of the world market.

A technological fix is desirable, but it's an utopian solution and even a second scientific and technological revolution will not alter the fundamental relations of production. An alter-globalisation occurs through co-operation between nations based on a common understanding, this spirit can be seen in certain anti-hegemonic regional trade blocs such as ALBA, ASEAN or the Eurasian Customs Union. These blocs defend national sovereignty and seek to protect it against attacks by neoliberal institutions such as the WTO or the IMF. The values inherent in global capitalism need to be overturned, because even without a dominant imperial power enforcing economic subjugation countries will revert to exploiting themselves in order to be competitive on the global market. In order for localisation to be possible we need a new world system which is not based on the underlying principles of private profit at the expense of public value. As noted by Martens and Raza, "sustainable development cannot be addressed from a single perspective, country or scientific discipline" (Martens & Raza, 2010, p.290). Another world is possible, and it requires a global movement in order to bring it about.

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