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Can Democracy Survive Globalization?*

DEMOCRACY IS FAR LESS FRAGILE THAN WE SOMETIMES IMAGINE. Although hard to establish, it is remarkably robust and is corrupted only by dint of persistent effort. Yet, as Rousseau wrote of freedom, once lost, democracy is nearly impossible to regain. Today, the forces of democracy face a new source of corruption all the more sinister because it appears so innocuous, often even identifying itself with the liberty it undermines. Having survived the nation-state and in time subordinated it to its own liberal purposes, can democracy now survive globalization? Only if democracy is globalized.

At present, the encompassing practices of globalization have created an ironic and radical asymmetry: we have managed to globalize markets in goods, labour, currencies and information without globalizing the civic and democratic institutions that have historically comprised the free market's indispensable context. Put simply, we have removed capitalism from the institutional 'box' that has (quite literally) domesticated it and given its sometimes harsh practices a human face. Capitalism has evolved and flourished inside the box of democracy.

From the birth of markets in the seventeenth-century nation-state to the rise of the welfare and regulatory state in the twentieth century, the freedom of the market has been secured only by the discipline of the law. Ripped from the juridical and legislative box of regulatory institutions and civic infrastructure, markets spin freely into hyper-space, generating a 'wild' capitalism that looks like anarchy and that is corrosive not only to the national democracy on which it once relied, but to its own operation as a competition-based economic system.

Marx is no longer regarded as a trustworthy critic of markets, but his conviction that they could be troubled by internal contradictions of a self-destructive kind is certainly borne out by the tendency of global capitalism to indulge in unhealthy forms of

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speculation and monopoly that undermine the hard economy and the competitive conditions that give it life. Out of the box, capitalism does not work nearly as well as it does within the box. Yet because postmodern capitalism globalizes around information and telecommunications technology (hardware and software), it not only escapes the box; it also erodes the boundaries that constitute the box. Ironically, at the very moment when technology is offering the nation-state new forms of direct civic engagement, it is pushing the globalization of the economy in a manner that undermines the nation-state and its governing democratic institutions.

I have examined the dynamics of globalization in detail in my *Jihad vs. McWorld*, and will not rehearse its arguments here. But McWorld has proceeded apace, and globalization has a new face as we cross the millennial threshold. It is ever more efficient in its domination of other sectors because it acts today in concert with privatization, commercialization and a consumer culture that has both infantilized consumers and had a totalizing effect on society. This concert of forces has been damaging to the pluralism of our society and the democracy of our political and civic life. To survive the slow passing of the nation-state, democracy will itself have to find a road to globalization.

GLOBALIZATION

To understand why taking capitalism 'out of the box' has been so calamitous, we need to recall that the history of capitalism and free markets has been one of synergy with democratic institutions. Free economies have grown up within, and been fostered and contained and controlled by, democratic states. Democracy has been a precondition for free markets – not, as economists try to argue today, the other way round. As representation and suffrage were extended, entrepreneurial capitalism grew alongside them. As England's monarchy became first constitutional and then gave way to genuinely democratic elements, its economy moved from mercantilism to industrial capitalism and free trade. Only in the nineteenth century, well after the unwritten constitution had evolved in clearly democratic directions, did mass industrial capitalism and free trade become hallmarks of the British economy and the British Empire. The freedom of the market that has helped sustain freedom in politics and a spirit of competition in the political domain has been nurtured in turn by democratic institutions. Contract law and regulation as well as cooperative civic relations have attenuated capitalism's Darwinism and contained its irregularities, its contradictions and its tendencies towards self-destruction around monopoly and the eradication of competition. On the global plane today, the historical symmetry that paired democracy and capitalism has gone missing. We have globalized the marketplace willy-nilly because markets can bleed through porous national boundaries and are not constrained by the logic of sovereignty; but we have not even begun to globalize democracy, which – precisely because it is political and is defined by sovereignty – is 'trapped' inside the nation-state box.

There are of course a legion of transnational civic and governmental organizations in the global arena, perhaps as many as 60,000 NGOs in addition to traditional United Nations-style political and cultural associations. Many of these, however, are plagued by national conflicts or paralysed by the non-participation by principals (the United States is not a signatory of the Comprehensive Test Ban Treaty or the Land Mine Treaty, for example, and has neither paid its United Nations dues nor renewed its lapsed membership in UNESCO). Others are constrained by the demands of neutrality and representativeness. The International Labour Organisation, for example, is a pusillanimous transnational force because it represents employer as well as employee organizations and cannot favour labour. By almost any measure of real power, there is not a single NGO that can hold a candle to powerful telecommunications multinational corporations. Is Civicus a match for Murdoch's News Corporation? Can the ILO give Viacom/CBS or Disney/ABC a run for their money? Who will take on Microsoft globally, where the Justice Department has only just found the courage to tread? Can transnational associations promoting pluralism in communications confront AOL/Time Warner when the US Government has (in the 1996 Telecommunication Bill) passed up the chance for the most modest forms of regulation? Who will actually put the human face on the WTO that President Clinton has suggested it so desperately needs?

Where nation-states do try to act collectively and in effect pool their political sovereignty(s) in order to contain and regulate multinational corporations and the social and cultural impact of markets, it turns out that their governments often seem more interested in protecting the autonomy and sovereignty of markets than insisting on their own citizens' public interests. Privatization ideology has made sovereign governments into better stewards of global economic interests than national or international civic interests. Hence, the WTO, nominally a creature of its member states, is in truth more a representative of the corporate and financial interests that dominate those states' internal politics – as was evident recently in Seattle at the autumn 1999 trade meeting.

A World Bank insider was frank enough to write about the protesters who came to Washington, DC in April 2000: 'They'll say that IMF is secretive and insulated from democratic accountability. They'll say the IMF's economic "remedies" often make things worse – turning slowdowns into recessions and recessions into depressions. And they'll have a point.'[1]

The power of finance on the inside of nation-state politics simply reinforces the outlaw market libertarianism that typifies globalism. In the United States, which could be a leader in imposing democratic order on the global economy (something hinted at in President Clinton's maverick speech on behalf of health, safety and environmental standards in Seattle and again in February 2000 at the Davos World Economic Forum), the interests of global markets are in fact secured by the private funding of elections, which actually legitimates a shift of sovereignty from politics to the economy. The inability of populist campaigns, like that of John McCain for the Republican nomination for the presidency, to make a dent on well-heeled conventional campaigns like the one run by Governor Bush, suggests just how difficult it is to break the hold of what John McCain liked to call the 'iron triangle' of money, special-interest lobbying and legislation.

[1] The insider is Joseph Stiglitz, Clinton's first-term Chairman of the Council of Economic Advisors, and more recently the Chief Economist of the World Bank, in his extraordinary essay 'The Insider: What I Learned at the World Economic Crisis', *The New Republic*, 17 April 2000. After describing the IMF as staffed by 'older men . . . who act as if they are shouldering Rudyard Kipling's White Man's Burden', Stiglitz asks 'did America – and the IMF – push policies because we believed the policies would help East Asia or because we believed they would benefit financial interests in the United States and the industrial world? And, if we believed our policies were helping East Asia, where was the evidence? As a participant in these debates, I got to see the evidence. There was none'.

The resulting global asymmetry, in which both states and markets serve only the interests of markets, damages not only a well functioning democratic civic order, but a well-functioning international economic order as well. As George Soros argues in his new book: 'global capitalism does not necessarily bring progress and prosperity to the periphery . . . foreign capital often feels more comfortable with an autocratic regime than with a democratic one. Foreign capital, especially when it is engaged in the exploitation of natural resources [as the World Bank is!] is also a potent source of bribery and corruption'.[2]

For a picture of what the new global anarchy might look like if it is allowed to continue unabated and unregulated, one need only travel to Moscow or Smolensk. There free market institutions have been introduced in the absence of either forceful regulation or an adequate civic infrastructure. In these far reaches of the 'newly' free world, the result has been a kind of mafiacracy-cum-anarchy, a brutal Social Darwinism sometimes called 'wild capitalism', which not only has been deeply destructive to emergent democracy, but has also impaired the growth of healthy market institutions.

My fear is that neither London or Washington, nor Geneva or Strasbourg, but Moscow will become the model for the global economy. Why? Because as in Russia, the global marketplace is without centred democratic institutions to contain its anarchy and regulate its assault on competition. Moscow of course potentially has governing institutions which, if strengthened, might eventually bring capitalism under control. Although counselled by the West to focus on the market and on a skeleton of formal, top-down political institutions (a multi-party electoral system, a democratically elected president and independent press), it has increasingly understood the need to develop educational, cultural and civic associations. Even early advocates of rapid privatization like Jeffrey Sachs have come to understand the priority of civic development and with conservative critics are now urging a tightening of surveillance over international financial institutions like the IMF and the World Bank. Undergirded by new Tocquevillean civic institutions, Russia might tame its wild capitalism as the United States did after the Civil War.

America too endured a period of wild capitalism, when the victory

[2] George Soros, *The Crisis of Global Capitalism Revisited*, New York, Public Affairs Press, 2000, manuscript, p. 23.

of the Union over the Confederacy unleashed hyperproductive forces of uncontrolled growth and raging monopoly that were to be addressed only decades later in the administrations of Theodore Roosevelt and Woodrow Wilson (and, in time, Franklin Roosevelt). However, in the international arena the eventual domestication of the wild economy seems far less probable, because there are no viable governing institutions of any kind, or any apparent way of creating them or even thinking about them. Ironically, the nation-state sovereignty that is too porous to hold the economy in, turns out to be too dense to let democracy out.

Some critics have tried to diminish the significance of the supposedly 'unprecedented' trend towards globalization in our own era by comparing it to what in many ways is an analogous period before the Second World War. It is certainly true that at the end of the nineteenth century's age of empires, there was an internationalization of markets on a very large scale. If one measures international trade as a percentage of national GNP, it turns out that the leading trading states derived up to 12 per cent of their GNPs from trade – a figure little different from the one that describes trade today in this supposedly unprecedented age of globalization. There is a crucial difference today, however. For trade as we cross the millennial threshold is in information, in images, in entertainment and in ideas; it is in films and advertising and brand-names and merchandising. We trade in the very stuff of the international nexus, the bytes and bits that punch holes in national frontiers through which virtual tentacles reach out right around the world.

In the nineteenth century, trade was in durable goods, natural resources, the hard economy of the industrial/manufacturing world. Hard trade actually reinforced nationalism, undergirding national economies and helping to create a world of powerful nation-states, a world of nationalisms and nationalist ideologies of a kind that both made autonomy and democracy possible – and also led to that clash of nations which gave rise in time to two world wars. Where trade then reinforced nationalism, today it undermines it, eroding parochial borders of every kind and turning the global economy into an engine of transformation and interdependence. It is not just percentages that tell the story, since as much of 80 per cent of today's trade remains trade in manufactured and durable goods and in raw materials and natural resources. But the remaining 20 per cent representing the service and information economy dominates the character and impact of trade as a whole, and gives globalization its genuinely transnational character.

With the spread of the new globalization, the asymmetry between private vices and public goods has deepened. In globalizing private rather than public goods, we have managed, however inadvertently, to globalize many of our vices and almost none of our virtues. We have globalized crime, globalized the rogue weapons trade, globalized terror and globalized hate propaganda – sometimes (ironically) using the modern technologies of the world-wide web itself to promote ideologies hostile both to technology and to anything smacking of the world-wide or the modern. We have globalized drugs, pornography and the trade in women and children made possible by 'porn tourism'. Indeed, the most egregious globalization has been the globalization of the exploitation and abuse of children in war, pornography, poverty and sex tourism.

Nowhere are children more abused now than in this international arena where their interests cannot possibly be represented other than by the price their services bring as prostitutes, slave labourers, involuntary organ donors or soldiers. Tribal wars can now be primarily conducted through and against children, our proxy warriors in the new century. It is a toss-up whether a nine-year-old girl born into poverty in Brazil or Thailand can be more profitably exploited by selling her virginity or her kidneys. (This is no hyperbolic metaphor: there is a lively illicit traffic in human organs 'farmed' from the invisible street children of the Third World for medical use in the first world.)

At the same time, to complete the ring of irony, third-world nations complain bitterly when first-world nations try to protect children. In their jaundiced but not unreasonable view, the first-world assault on indentured child labour is stealth protectionism to keep jobs in first-world countries. After all, it is often children who suffer the most when the IMF conditions its loans on 'structural adjustments' that, in balancing budgets or reducing social programmes, lower living standards for those already in poverty. What is clear is that only the establishment of internationally enforceable standards can prevent a devastating race to the bottom. Until then, one way or the other, children will bear the burdens of 'efficient' competition.

In his prescient three-volume study of globalization called *The Rise of the Network Society*, the sociologist Manuel Castells sums up the awful toll in terms that link the abuse of children directly with the new logic of economic globalization. He insists that the exploitation of children is not an ad hoc add-on, but an integral feature of new global markets in the absence of global law and international democracy:

> There is a systematic link between the current, unchecked characteristics of informational capitalism and the destruction of lives in a large segment of the world's children. What is different is the disintegration of traditional societies through the world exposing children to the unprotected lands of mega-city slums. What is different is children in Pakistan weaving carpets for world-wide export via networks of suppliers to large department stores in affluent markets. What is new is mass global tourism organized around paedophilia. What is new is electronic child pornography on the Net, world-wide. What is new is the disintegration of patriarchalism without being replaced by systems of protection of children provided either by new families or the state. What is new is the weakening of institutions of support for children's rights such as labour unions or the politics of social reform.[3]

The global economy's impact on children is but one example of its civic sterility. Lacking a civic envelope, it cannot support the values and institutions associated with civic culture, religion and the family; nor can it enjoy their potentially softening, domesticating and civilizing impact on raw market transactions. No wonder Pope John Paul said in his Apostolic Exhortation on the Mission of the Roman Catholic Church in the Americas: 'If globalization is ruled merely by the laws of the market applied to suit the powerful, the consequences cannot but be negative.'[4] Of course one expects the Pope to moralize in this fashion. More startling is a similar message from another more powerful pope of the secular world, who wrote recently: 'You hear talk about a new financial order, about an international bankruptcy law, about transparency, and more . . . but you don't hear a word about people . . . Two billion people live on less than two dollars a day . . . We live in a world that gradually is getting worse and worse and worse. It is not hopeless, but we must do something about it now.' The moralist here is the hard-headed James Wolfensohn, President of the World Bank, who has begun to replace the Bank's traditional energy and industrialization projects thought to favour the interests of foreign investors with environmental and

[3] Manuel Castells, *The Rise of the Network Society*, (3 vols), Vol. 1, *Information Age*, Oxford, Blackwell, 1996, p. 250.

[4] Pope John Paul's Apostolic Exhortation, cited in *New York Times*, 24 January 1999.

health projects aimed at the interests of the populations being directly served.[5]

There are of course extant international institutions that might serve as building blocks for a global democratic box into which the economy could safely be put. The international financial institutions conceived at Bretton Woods after the Second World War to oversee the reconstruction of the shattered European and Asian economies were intended originally to function as regulatory agencies to assure peaceful, stable and democratic redevelopment under the watchful eye of the victorious allied powers. Though the World Bank and the IMF (and later the GATT and the WTO that grew out of it in 1995) were ostensibly forged as instruments of democratic sovereign nations designed to guide and regulate private-sector interests in the name of public-sector reconstruction, over a period of time they became instruments of the very private-sector interests they were meant to channel and keep in check. Those who today call for their elimination in the name of transparency, accountability and democracy might be surprised to learn that these norms were once regarded as among the post-war financial order's primary objective. Given the role the modern institutions representing this order play as potential pieces in a global regulatory infrastructure, one way to begin the process of global democratization would be to redemocratize them and subordinate them to the will of democratic peoples.

PRIVATIZATION

Globalization does not, of course, occur in a vacuum. Its corrosive impact on democratic governance, and our inability to put international financial institutions that are nominally already at the service of democracy to real democratic use, is augmented by a cognate ideology of privatization that is prevalent both in the international scene and within the countries whose economies are being globalized. Privatization – what Europeans often call neo-liberalism, and George Soros has labelled market fundamentalism – is an ideology that saps democracy by attacking public power. By its proponents arguing that markets can do everything government

[5] James D. Wolfensohn, President of the World Bank. Cited by Jim Hoagland, 'Richer and Poorer', *Washington Post National Weekly Edition*, 3 May 1999, p. 5.

once did better than government, and with more freedom for citizens, privatization within nation-states opens the way for a deregulation of markets that in turn facilitates the globalization of the economy. Privatization softens up citizens to accept the decline of political institutions on the presumption that they will be better off – more 'free' – when their collective democratic voice is stilled. Ultimately, it permits national governments to acquiesce in the use of the IMF and WTO as servants of private interests, since public interests within and among nations lose their legitimacy.

As an ideology, privatization reverses the old and successful tradition of social contract theory on which America and other Western democracies were founded. Social contract reasoning postulates that only those forms of public power resting on popular sovereignty can be legitimate, because only such forms can be transparent, accountable and rooted in consent – that is in the free will (and hence the liberty) of individuals. The ideology of privatization insists to the contrary that private power, unencumbered by law, regulation or government, is the essence of freedom, and hence is a more legitimate species of power than that sustained by the social contract. This argument is not only neo-liberal but libertarian, asserting that freedom can exist only in the absence of government; not only libertarian but nearly anarchist, arguing that every form of public rule smacks of illegitimacy. This internal critique of democratic legitimacy within nations rationalizes the anarchy of the international market sector, making its escape out of the democratic box seem like a virtue rather than a problem.

Privatization puts the public sector on the defensive. By modelling a national society where liberty is defined by free markets and government has been cast as a villain whose power must be minimized, it lends credibility to a global market where there is no government at all. Privatization does the ideological work of global economics inside nation-states. For national government now becomes an instructed instrument of private economic interests rather than of public civic goods. In this guise, it is made over into a useful tool of global corporations, banks and markets in international organizations like the WTO and the IMF – nominally 'political' organizations constituted by sovereign states, but in fact servants of global economic interests that undermine national sovereignty.

Some democrats will hesitate here, wondering whether the assault on national government by privatization ideology is not in fact a good thing for civil society and for neighbourhood governance. This, however, is to confound privatization and decentralization. The latter can strengthen democracy, the former only corrupts it. With decentralization, the public sector and its governing institutions transfer power down the governing hierarchy to provinces, to states, to cities, and to neighbourhoods, thereby empowering citizens to take greater public responsibility and become engaged in government on the local level. This is an instance of what is sometimes called subsidiarity: a devolution of public accountability that takes top-down political power that is transparent and public and turns it into bottom-up political power that becomes even more transparent and more public. Privatization is an entirely different animal: it does not decentralize, it shifts top-down power that is public, accountable and transparent (if also sometimes inefficient and bureaucratic) to the private sector, where it remains top-down but is now private, unaccountable and opaque. Privatization gives public power away, annihilates its public character, often leaving it at the top of some hegemonic or elite ladder, but now in powerful private hands beyond scrutiny. In the name of liberty, privatization destroys democracy. Privatization's sometimes greater efficiency is then used to rationalize the destruction of *res publica* – the 'goods of the public' in whose name republics are constituted in the first place.

In the process, citizens do not approach closer to power but are further distanced from it. Something like this happened in Russia where power was wrested from the hands of public authorities who were, however, only quasi-legitimate, and embraced by private authorities who were altogether illegitimate. To empower new, private, hierarchical bureaucracies in place of inefficient or bungling public bureaucracies may be a victory for instrumental efficiency but it certainly is not a victory for democracy. President Clinton's proclamation of the 'end of the era of big government' in 1996 did not so much free us from public bureaucracy as introduce us to a new era of big business and legitimize its private bureaucracy.

We may welcome New Democratic scepticism about traditional welfare state strategies, but we cannot allow the end of the welfare state to spell the end of welfare. Regimes of profit cannot and will not take responsibility for the welfare of children, artists, teachers or soldiers, let alone education, culture, education or the common defence. Why have Americans decided that organizations in which they have no representation and which are expressly dedicated to pursuing private interests (profits for shareholders above all) are somehow better guardians of the public good than organizations like the Congress in which they are directly represented and whose sole legitimate purpose is the protection of their public interests? Why do politicians run against politics and augment a cynicism that, if they actually are elected, makes their tenure so much more difficult? An ideology that tries to convince people to connive in their own disempowerment is surely a swindle. Finally (though this was certainly not President Clinton's intention) the end of big government may turn out to have been just such a con game whose real consequence was not to make overt war on bureaucracy, but to make covert war on democracy.

To be sure, the big bureaucracies engendered by well-meaning big governments in the era of the 'great society' contributed to the creation of an unbounded welfare state that became bloated, bureaucratic, inefficient and dependency-breeding. However, to redress these defects requires the reform of democracy not its elimination. Government belongs to its citizens and if it is removed rather than improved, the citizenry loses its only effective instrument of identifying and securing its public interests and common goods. As Jefferson insisted, the only effective remedy for the defects of democracy is more democracy. Neo-liberals prefer to think the remedy for the defects of democracy is no democracy at all. After all, aren't markets themselves essentially democratic?

This is market ideology's other line of argument, one that affirms privatization as a reasonable strategy for democrats. It averts the swindle portrayed above by redefining democracy down, by in effect privatizing government and so, without acknowledging or perhaps even understanding what it is doing, eviscerating democracy by depublicizing it. (Let's take the 'common' out of commonwealth!) This second strategy argues that privatization actually enhances democracy by giving citizens the only vote that really counts: the vote cast by their consumer dollars. After all, through the purchasing power of the dollar, the yen, the Deutschmark or the euro, citizens are able to 'vote' as private persons, and have a powerful effect on national outcomes. Sceptics like me who doubt the virtues of the consumer economy, cannot possibly be democrats at all![6]

[6] This was the thrust of Fareed Zakaria's hostile review of my *Jihad vs. McWorld* in *The New Republic*, March 1995.

Privatization, the consumerist argument continues, does not eliminate politics; it only privatizes it and permits us to vote powerful dollars in the consumer marketplace rather than meaningless preferences in the political voting booth. The free market is in fact a model of market democracy: a democracy of individuals who manifest their preferences and express their choices through their spending habits. If choice is the essence of democracy, consumers busy shopping are surely model citizens. This argument for privatization, however well meant, suffers from fatal misunderstandings. It contains two particularly egregious errors: the first in its conception of what a 'voluntary' choice really is; the second in its failure to comprehend the crucial distinction between public and private choices as they affect our common lives.

Without succumbing to the false claims of 'false consciousness', through which we effectively deny that ordinary people know what they are doing when they make consumer choices, we nevertheless need to recognize that how we spend our dollars is not always quite as free a choice as it feels. 'Save us from what we want!' reads a postmodern prayer in the advertising age. The psychology of wants and needs in an era of pervasive consumption surely calls for us to problematize the term 'voluntary'. Our freely-made choices are, after all, subject to marketing, merchandising, advertising and packaging – all of which (as the billions spent in these sectors suggest) are intended to 'compel' and 'divert' choice to what producers want to sell. The 'free' consumer may not be the 'autonomous' chooser. The multi-billion-dollar annual advertising budget of the Fortune 500 is nothing if not an attempt to encroach on the autonomy of consumers and both influence preferences and 'force' choices. The merchandising of novel products for which there is no evident 'need' and the marketing of 'brands' rather than goods have made markets something less than mechanisms for the satisfaction of demand without making them actually coercive. If traditional capitalism wants manufactured goods to meet the felt needs of ordinary men and women, postmodern capitalism appears to manufacture needs to assure the sale of a surfeit of goods which people may or may not actually 'want'.

Recent efforts towards the wholesale commercialization of education are obvious attempts to manipulate preferences and condition choice. Student unions have become malls devoted to the pedagogy of brand loyalty. Four-year-olds are now targets for the selling of brand identities on the Internet. School buses (in cities like Colorado Springs) have become acceptable advertising venues. Channel One (originated by Chris Whittle) offers nine minutes of soft 'news' and three minutes of hard advertising to high-school students in 12,000 schools across America: in return for cheap hardware leased to needy, mostly inner city schools, desperate administrators offer access to their students' minds during history and social studies classes. Radio stations now regularly use digital programs to compress human speech (eliminating the um's and ah's and 'dead' spaces between words) in order to increase the time available for advertising (time for as many as six more 30-second ads per hour can be secured).

These strategies of persuasion and manipulation are not necessarily fatal. Human autonomy has survived far more grievous assaults, and I have already made clear that I am no fan of 'false consciousness' arguments that deny ordinary people an intrinsic capacity to judge and an ability to resist those who would condition them. Yet consumer choice in this era of unbounded advertising and merchandising occurs in a setting where almost every domain – educational, cultural, civic and artistic – has been both privatized and commercialized and where the selling of 'brands' has become the prelude to the selling of goods; such choice is surely something less than perfectly autonomous. It is in this sense that one can say that postmodern capitalism has itself moved from a 'productivist' ethic aimed at producing sufficient goods to meet the natural and cultural needs of people, to a consumerist ethic aimed at the production of needs to facilitate the selling of an endless oversupply of unnecessary products being supplied by an overproductive global economy.

The case against private liberty as a surrogate for public choice does not, however, depend on the tainting of consumer autonomy. The second and more important conceptual defect of the privatization argument is that it confounds private and public modes of choosing. Consumer choice, even if it is genuinely free and we really can be said to 'need' all the things we want, is always and necessarily private and personal choice. Privates choices, autonomous or not, cannot affect public outcomes. Democratic governance is not just about choosing, it is about public choosing, about dealing with the social consequences of private choices and behaviour. What we do as citizens is precisely to deal with the public consequences of our private choices, to treat together with the social implications of what we do alone. One may enjoy very large, very fast cars and – other things being equal – choose as a consumer to fill up with high-powered but environmentally unsafe leaded petrol and drive the biggest possible sports utility vehicle one can find to protect the family against other vehicles. But other things are not equal. In buying an SUV and filling up on leaded fuel as a private consumer, one does not wish for more highway casualties and ubiquitous dead forests. In fact one does not even think about them. Not as a private consumer. It is only as a public citizen that one reckons the public costs of private decisions taken without forethought of social consequence.

Hence, as a citizen one may gladly veto one's own private preferences as a consumer, and vote for reasonable controls on fuels and engine emissions, on bumper heights and car weights. In other words, as a citizen one can trump the decisions one makes as a consumer and thereby offset the deleterious impact of private consumer choices on public outcomes. Moreover, as a citizen I may vote for sanctions against those who violate these public standards in the name of public goods and willingly impose them on myself if I backslide and become a disobedient private consumer. The citizen in me trumps the consumer in me, not as a matter of altruism or patriotism but as a matter of enlightened self-interest – the personal interest I have in securing public goods in which I share. In Rousseau's language, through participation in the general will we can regulate our private wills. Like all thinking people, we can distinguish easily enough between the self as citizen and the self as consumer. And as citizens, we will voluntarily deal with the social consequences of the private choices we make as consumers (even if we have really made those private choices voluntarily, which is hardly always the case).

The marketplace offers us the opportunity to express our economic preferences, but we cannot make political or social decisions in this fashion. We need public institutions to react to the social and public consequences of a marketplace that is more expansive than ever before – environmentalism affords the most obvious examples. This is to apply to economic behaviour the distinction between what J. S. Mill called self-regarding behaviour, where we have a right to personal autonomy and privacy, and other-regarding behaviour, which is subject to public legislation and control. Democracy is how we guarantee that legislating other-regarding behaviour will be fair and legitimate, something which simply cannot be achieved by aggregating private preferences. We understand the difference well enough within families: as fathers and mothers, we make choices that are not necessarily identical with what we might do on our own. The same is true for the neighbourhood, for local government and eventually for a community of the whole nation (or the globe).

This is the crucial difference between public and private liberty, a difference that may go to the heart of Pope John Paul's complaint (above) that 'the human race is facing forms of slavery which are new and more subtle than those of the past, and for far too many people, freedom remains a word without meaning'. To think that shopping is what freedom means is to embrace the slavery against which the Pope warns (though of course the Pope is a thoroughly unmodern man). By the same token, to think the human genome should be privatized and reproduced as a series of biotech consumer products that are parcelled out for a price like so many Pokémon cards, is precisely to imagine that one can replace citizens with consumers and call the result democracy. The second confusion becomes the occasion for the first, the first seems to rationalize the second. Yet this is in truth to make a fundamental category mistake. There are many things government cannot do very well but there are many others that *only* government can do – or at least ought to feel obliged to do, such as regulate, protect and sometimes subsidize – not because it does them well, or even 'better' than the market, but because they are public things for which 'we' (a public) are accountable.

These *res publica* (literally 'things of the public') include education, culture, incarceration, transportation, defence, health-care and, yes, the human genome. They represent public goods necessarily under the accountable surveillance of public institutions. Thirty years ago, many liberals subscribed to the great society myth that government could do just about everything. Today that myth has been banished, and many of the abuses of an encroaching, welfare-state bureaucracy have been moderated. But the old myth has been replaced with the equally dangerous new myth – or, rather, a revival of a still more ancient myth – that government can do nothing and markets can do everything. To fall prey to this myth is to forget what James Madison (hardly a fan of unbounded government!) wrote in *Federalist*

Number 63: 'Liberty may be endangered by the abuses of liberty as well as by the abuses of power . . . and the former rather than the latter are apparently most to be apprehended by the United States.' Not only is private liberty not the same thing as public liberty, but it can jeopardize and undermine public liberty.

COMMERCIALIZATION

Privatization might seem to be in the interest of an empowered civil society, but in practice it has meant the commercialization of much of what has been privatized and hence a further disempowerment of such civic associations as the neighbourhood, the church, the foundation and the family. These domains remain public though they are non-governmental and are defined by liberty though they are not private. The confounding of public and private has, however, subjected them to the privatizing and commercializing forces of a runaway economic sector that dominates every other domain of what is supposed to be a pluralistic life world. Privatization has led to the commercialization of what was once a pluralistic zone of many identities.

I have already shown how education gets commercialized and pupils are exploited by selling access to their share in the attention economy to commercial outfits like Channel One or to cola companies. In South Carolina, a high school that had made a deal with the Coca Cola Company suspended a student who 'subverted' the corporate arrangement by having the temerity to wear a Pepsi T-shirt to a school assembly celebrating Coke's modest gifts. University student unions throughout the country are being 'malled', transforming education into a standing lesson in brand-name recognition and consumer loyalty. Which pedagogy, liberal or conservative, mandates the 'selling' of students to corporations for the highest bidder? It is not pedagogy but the trumping of pedagogy by commerce that alone can justify such exploitation.

Commercialization also encroaches on the pluralism of the civic sphere. Where a pluralistic civil society nurtures students, friends, colleagues, neighbours, creators and associates of every colour and kind who engage in non-governmental but social activities like education, art, philanthropy, recreation, prayer, research, play, moral and social development and myriad forms of civic and social association, the market sector can afford to nurture only producers and consumers organized around the single-minded pursuit of working and shopping. The 'free spaces' in civil society such as churches and unions and neighbourhoods in which, Harry Boyte persuasively demonstrated, citizens have traditionally learned the arts of liberty are now diminished by the encroaching commercialization of all civic space. The sociologist Robert Putnam has surveyed the alarming decline in every conceivable index of social membership, social trust and social capital over the last thirty years in the United States.[7] This decline defines the contraction of civic space and the expansion of commercial space (for Putnam, most notably in the form of television). In place of grown-up public citizens, we seem intent on developing a nation of childish private consumers, in part by constructing venues for living that are strictly commercial – malls, theme-parks, multiplexes and their virtual counterpart on the Internet (which, despite its promise as a civic and educational medium has become little more than a cyber-mall).[8]

What is happening to schools is also happening to cultural institutions, prisons and other nominally 'public' institutions. With one out of six prisoners in the United States now incarcerated in private, for-profit prisons, the nation appears prepared to annul in silence a hallmark of classical sovereignty – the right to take away a person's freedom when the social contract has been violated. When Lincoln outlawed involuntary servitude in the Fourteenth Amendment, it seems unlikely that he intended that it be reintroduced through the privatization of incarceration. Yet that is what is potentially entailed by the practice of warehousing large numbers of minority citizens in privatized prisons. Only public supervision and public accountability can justify the taking of a citizen's liberty.

Transportation facilities represent another zone of activities which are by their very nature necessarily public. Yet we have moved well beyond the dubious deregulation of 'public' transport such as railways and airlines. By turning our transportation terminals into malls and making every airport, every train station, every international flight, another 'opportunity' to shop, we actually constrict the variety of our lives and diminish our right to choose between

[7] Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community*, New York, Simon & Shuster, 2000.

[8] Harry C. Boyte, in Sara M. Evans and Harry C. Boyte, *Free Spaces: The Sources of Democratic Change in America*, Chicago, Chicago University Press, 1992.

different kinds of activity. Even the Internet, a medium that holds out real promise for increasing the pluralism and liberty of our civic and cultural lives through its defining democratic interactivity and (potential) universal access, is fast becoming one more zone for commerce. Perhaps 95 per cent of Internet traffic is today commercial (nearly a quarter in pornography). Click on 'WhiteHouse.com' and you will get a porn site – a joke perhaps in the age of Monica, but a sad commentary on URL names none the less. A nine-year-old girl seeking sites where her friends might feel comfortable who writes in 'girls' on her search engine is in for a rude shock. Try it (but not in front of your nine-year-old daughter). Where have '.org' and '.edu' gone? It is possible today to have free phone service, free computers, free access to the Net, if one is willing to sell oneself to merchandisers and advertisers.

My objection here is not to commerce or the wealth a consumer society both offers and makes possible. It is to the colonization of every space by consumerism, the insistence that both virtuality and reality, inner space and outer space, our days and our nights, be occupied by one single consumerist dimension of our being. Even the champions of capitalist triumphalism might protest that shopping is not the whole of economics and that economics is something less than the whole of life.

INFANTILIZATION

If globalization has meant privatization and privatization has been accompanied by radical commercialization, colonizing commercialism has increasingly demanded a quite astonishing and perfectly overt infantalizing of consumers. Aggressive marketing is gradually turning public citizens into self-interested individuals, individuals into consumers and, increasingly, both turning consumers into children and turning children into consumers. This is in part a response to the imperatives of globalization. In order to sell goods across borders to a global audience traditionally segmented into mature societies with significant civilizational differences, sellers must target relatively ubiquitous needs and relatively universal wants. They must speak a global consumerist language. Since needs and wants vary as societies become more complex and differentiated, this logic has pointed to children as ideal consumers and has used profiles of children's tastes and habits as models even for adult marketing. This does not necessarily mean selling exclusively to children, but it does mean selling to the child in every man and woman. Merchandising has reached down into the ranks of teens, pre-teens and primary schoolers. Today it does not shrink from directing its salesmanship at pre-schoolers and toddlers.

The teen market is especially appetizing, for teens combine adult spending power and impetuous childish desire unconstrained by adult responsibilities. Peter Zollo writes with mock surprise 'the stereotype of today's teen is that of a brand-obsessed, label-driven, mall-congregating, free-spending, compulsive shopper', and then adds with a wink, 'There is often some truth to stereotypes'. He continues, his instinct for the kill carrying him: 'Teen spending is on the rise, and few teens are saddled with payments that inhibit adult spending, like rent, utilities, and groceries. Teens' considerable income is almost exclusively discretionary. They are consumers with a mission: they want to spend on whatever happens to please them. What a compelling target!'[9]

Teens are only the most obvious target. Those who will become teens are also enticing, especially if they can be uprooted from the protective home turf of the family and approached as 'autonomous' consumers. The Internet offers four-year-olds access, and until the federal government finally drew a line in the sandbox in the spring of 2000, regularly queried them about their family's spending habits and their own buying habits (*sic*!) as a condition of logging on. Books offering tips on marketing to children multiply under titles like *A Marketer's Guide to a Kid's Heart* (Gene Del Vecchio), *What Kids Buy and Why* (Dan S. Acuff) and *Kids as Customers* (James U. McNeal). In his final chapter on *Kids as Global Consumers*, McNeal gets to the heart of the new interest in children in a global market by focusing on the common tastes and underdeveloped desires of children as a way round the otherwise obstructive diversity of mature cultures without sufficiently common tastes or wants:

> In general, it appears that before there is a geographic culture, there is a children's culture, that children are very much alike around the industrialized world. They love to play . . . they love to snack . . . And they love being children with other children (in contrast to assuming most adult roles). The result is that they very much want the same things, that they generally translate their needs into similar wants that tend to transcend culture.

[9] Peter Zollo, *Wise Up To Teens: Insights Into Marketing and Advertising To Teenagers*, Ithaca, NY, New Strategist Publications, 1999, p. 24, p. 336.

> Therefore, it appears that fairly standardized multinational marketing strategies to children around the globe are viable.[10]

We ask children to grow up fast in order to become consumers even as we dumb down consumers by plying them with the wares of children – playing to the adult-like consumer in every child, and the childish, impulsive infant in every adult. The result is a new consumer who is neither a kid nor an adult, but a 'kidult' with grown-up buying power and childish, uniform tastes that can be catered to by fast food, athletic shoes, T-shirts, cola drinks, Gap-style co-ed clothes based loosely on sports apparel, and – the merchandizing and branding engine behind it all – the global pop culture of homogenized MTV music and Hollywood's cartoonish (if not actually cartoon) blockbuster films and videos.

The world has marvelled at the talent Hollywood film and video makers have brought to the global table in appealing to a world-wide, trans-cultural audience. National film industries in traditionally influential countries like France, Italy, India and Mexico have watched their audiences transfer their loyalty to American films, often despite government-imposed import quotas and film industry subsidies. This is not a case of American culture trumping French or Indian culture. It is a question of kids' fare trumping adult fare. Hollywood has mastered the art of kids' entertainment for the kid in every grown-up, and so has accomplished a commercial advantage over sophisticated adult cultural competitors in every country where it competes (including the United States, where films for grown-ups remain a specialty of small independent film companies that win a greater share of awards than of the mass audience).

Fast food succeeds by playing the same game, catering to the unformed, sugar-and-fat tastes and quick-snack-style eating favoured by children everywhere – at the expense of slowly developed, culturally differentiated palates and slow-moving ritual eating ceremonies in which adults celebrate family and community ties and manifest cultural and religious traditions.

Sports apparel is another example of simplified, branded clothes that erase traditional cultural distinctions and replace them with universal brand associations which are themselves place-holders for commodities and consumer goods that make cultural or ethnic markers secondary. In the new identity politics, we are what we

[10] James U. McNeal, *Kids as Customers*, Jossey-Bass Publishers, 1992, p. 250.

wear, and what we wear depends on what we watch on the mass media, on brands we choose rather than identities that choose us such as religion or ethnicity. This may make identity more voluntary, but it also makes freedom lighter than air and choice a matter of a child's whim – as shaped by the commercializing shapers of whimsy who play tutor to kiddie markets everywhere.

The infantilization of consumers brings with it a new ethos that can be compared in its efficacy to the ethos that Protestantism brought to early capitalism. Max Weber charted the complex relationship between the rise of capitalism and the Protestant ethos by showing how Protestant ethics gave to entrepreneurial activity in capitalism's early productivist phase the imprimatur of such norms as the idea of work as a moral calling, the idea of saving (and hence investment) as a virtue and the idea of capitalism itself as a blessing of the Christian imagination. The Protestant ethos certainly celebrated the virtues associated with maturity – prudence, discipline, productivity and hard work – and it eventually helped channel the energies of the new American Republic into the world's most successful economy (American Calvinism in its Puritan form).

The ethos demanded by consumerist capitalism in its late, postmodernist phase, however, must reinforce a culture of consumption and leisure time and is geared not to maturation but to the preservation of childhood. For the first time in history, the discipline and rational prudence of a society's informal pedagogy and cultural ethos are arrayed against moral, spiritual and civic growth and the complexity and diversity they entail. Instead, their aim is retardation: keeping kids kids as long as possible, and turning adults back into kids as soon as possible, are on the side of children and the impulsive, playful, leisure-time behaviour typical of children.

Historically, democracy's educational, cultural and civic institutions have been in step with the grown-up in every child, countering the naturally impulsive playful, leisure-time inclinations typical of children. While recognizing the need for a space in which children can be children, they have represented Aristotelian forces of development and maturation aimed ultimately at civilizing the child's simple instincts and domesticating her impetuous energies. The infant cannot distinguish self and world, and is drawn to the twin illusions of totally mastering the world by supplanting it with the self, and totally merging the self with the world by yielding up the self completely. Dominion or surrender. Only adults fully comprehend the need for a mediation of a fully-formed self and the external world through healthy relationships that assume neither mastery nor acquiescence. This is Freud's narrative no less than Weber's, Aristotle's no less than Kant's. There have been rebels like Nietzsche and Foucault who have associated this civilizing process entirely with repression (Freud certainly acknowledged the repressive element but understood repression as a useful tool of the maturation of the ego), and today's consumerist ideologists like to mimic the language of liberation when rationalizing the liberation of consumerist passions.

However the process is rationalized, in our privatized consumerist society, the forces occupying the place of traditional pedagogy and culture are effectively committed to impeding development and decivilizing the society. The world of consumer objects mediated by grand identities makes consumers and what they consume much the same thing. The twin illusions of mastery over the material world through the power of consumer purchases and surrender to the material world through a yielding to brand identity mimic the infantile illusions maturation is supposed to overcome. The struggle is not between children and adults, but between the model child and the model adult who wrestle in each individual's soul for ultimate control. 'Gimme another beer and the remote so I can watch another game', argues the child. 'Turn off the set and mow the lawn or read to the kids', argues the adult. 'Let's take the grandchildren to the Planetarium', suggests the adult. 'Take 'em to the mall and buy 'em a video, and pick up two for ourselves while we're there', responds the child. 'I am what I buy and I can buy the world', says the branded, consumption-crazed kid, putting an end to the dialogue for the time being. And so the internal argument proceeds in a thousand variations at every turning in a consumer's average day. But where once the society sided with the adult, today it will almost always take up the argument of the kid, because kids are where consumption is and consumption is where the profits are. Consumerist capitalism can count on the new ethos. To elude infantilization is to drop out, to build walls against the world, to educate children at home (as several million Americans, many of them Christian fundamentalists are actually doing) and throw away the screens and computers that define modern society. It is finally to lock up the family and the psyche in ways that have their own high costs. How then is resistance possible?

TOTALIZATION

It gets worse before it gets better. Resistance is hard because – this is the poisonous gift of infantilization – we do not feel unfree. On the contrary. We not only relish our 'servitude' to markets and malls, like kids we identify it with freedom. Privatized, commercialized and infantilized, we feel powerful in the way infants feel powerful when they stare at their moving hands and think they are commanding the known universe. Our lives and habits seem as if they have been 'liberated' from tradition, discipline, constraint and history. And so they are. We become 'new men', new women. We have seen such promises of a new identity for the human race in the century just concluded, most often from new forms of politics: a new American man, a new Soviet man, a new Aryan man, more recently the *hombre nuevo* of Castro's Cuban revolution. Shifting his gaze from politics to socio-economic culture, Herbert Marcuse worried 35 years ago about the reductive capacity of the capitalism of his time: it too threatened the 'new man', what he called 'One Dimensional Man'. He was an optimist: the danger today is no-dimensional man: the coming (recalling Robert Musil's remarkable novel, written 1930–43) of the 'man without qualities' (*Der Mann ohne Eigenschaften*), a personality in which brand-names and the collections of consumer attributes on which brand-names are parasitic become markers of identity and organizers of meaning.

Tom Peters opens a recent book on management style with the imperative 'consider yourself a brand!' while the consultant Laurel Kuttler, disagreeing mildly, insists that the quest for identity is best understood as a shopping expedition among several brands, identity itself to be constituted by no single trade-name but by a blending of preferred brands.[11] True to the pathological side of the infantilism, this is identity from the outside in, masquerading as identity from the inside out, unrecognized coercion parading as freedom. The 'outer-directed' man has been around for a half century, ever since William Whyte distinguished him from 'inner-directed' man in his morose ode to the grey flannel suit called *The Organization Man*.[12]

[11] Tom Peters, *Brand You 50: Or: Fifty Ways to Transform Yourself from an 'Employee' into a Brand that Shouts Distinction, Commitment and Passion*, Knopf, New York, 1999.

[12] William H. Whyte, *The Organization Man*, New York, Simon & Schuster, 1956.

Today, the outer-directed man dwells in a world where 'outer' has been reduced to a commercial essence that has colonized the psyche and captured the terrain of the 'inner'. I am loath to use the term totalitarian here, for the notion is mired in cold war ideology and, where used by those it has injured, embodies a history of spiritual captivity, terror, imprisonment and death which ought not to be analogized for rhetorical purposes. Yet George Soros, no stranger to totalitarianism in its earlier incarnation, declares bluntly that the 'central contention' of his new book on globalization is 'that market fundamentalism is today a greater threat to open society than any totalitarian ideology'.[13] Moreover, the fecklessness with which those who have eluded totaliarianism's terrors ignore the dangers of the neo-liberal system they credit with its defeat, invites the comparison. Salman Rushdie is typical of critics of the idea that there can be anything wrong with capitalism triumphant. To him, to argue that the market unencumbered may conceal a new 'soft totalism' of its own is to misread the real threat to liberty which, for him (and the market neo-liberals he embraces), continues to emanate from states. Hence, Rushdie argues that since the United States is 'the best current guarantor of freedom' against freedom's enemies – tyranny, bigotry, intolerance, fanaticism – those who oppose the spread of American culture 'take up arms against the wrong foe'. Lest his target be misapprehended, he adds: 'Perhaps we, too, need to rethink our easy condemnations [of Western culture]. Sneakers, burgers, blue jeans and music videos aren't the enemy. If the young people of Iran now insist on rock concerts, who are we to criticize their cultural contamination? Out there are real tyrants to defeat. Let's keep our eyes on the prize.'[14]

How it is that when politics dominate every other sector of life, we call the result totalitarianism, and when religion dominates every life world, we call the result theocracy, but when the market dominates every sector of our lives and becomes the key to identity itself, we call the result liberty? To be sure, the market issues no *fatwas*, and that is no small matter. Yet to be a free man or free woman is to be a citizen and this is not simply a matter of being

[13] George Soros, *The Crisis of Global Capitalism Revisited*, op. cit.

[14] Salman Rushdie, 'Rethinking the War on American Culture', *New York Times*, 5 March 1999. Rushdie's status as an adversary of fundamentalist Islam gives him credibility, but also blinds him to the very different – less fearsome but more indelible – dangers presented by markets.

unthreatened by mobs and uncoerced by the tyrannies lurking above. To be free in the public and positive sense entails more than not being unfree in the negative sense. There is a status between the subject and the citizen – the status of the private person, the individual, the consumer. This is the status too many moderns have misconstrued as identical with citizenship. Infantilized, mass-produced consumers are not citizens, however, and hence are free in no significant public sense. It is this middling status that Rushdie appears to equate with freedom, but it is something less than that.

The issue is not consumerism but consumerism as a form of identity. The problem is not capitalism, but capitalism as the sole determinant of what should be multiple life worlds. The problem is not the celebration of the private, but the tyranny of the private over everything public. The challenge is how to respond to a world in which the pluralism of many identities and the democracy of a multiplicity of sectors are supplanted by a world of one singular identity, one set of commercialized, infantilized tastes and desires, and one single market sector to which every other private and public good is subordinated.

What is required is an act of political will, a voluntary rejection of branded identities. Bruno Kreisky, the great statesman of post-war Austria was asked just after the Second World War what it would take to turn Austria, still in many ways authoritarian, even fascist, and still caught up in its own dark past, into a working democracy? 'Der Mut zur Politik', he answered – the courage to engage in politics. Political will depends, however, on political mobilization and political mobilization is itself a product of the very citizenship that is today in jeopardy. To develop political will requires engaged citizens, engaged citizens are fashioned in the free spaces of a robust civil society and civil society is under assault from market totalism of the kind that paralyses political will: a perfect example of the so-called vicious circle.

There is one useful feature of vicious circles, however: they can be broken anywhere. By protesting about the commercialization of schools (UNPLUG, for example, a group working against Channel One and other corporate assaults on education); by a commitment to 'slow food' that rejects the expansion of fast food into Europe (Italy's 'Soft Food Movement'); by labelling Indian rugs made without child labour and boycotting the others ('Rugmark' in Europe) or doing the same with tuna caught with nets that threaten dolphins

('Dolphin-safe tuna'); by organizing public opinion to force nations to act in the public interest where they lack incentives to act on their own (the movement Jody Williams and Diana, Princess of Wales, forged that led to the international treaty banning landmines); by forging transnational movements that pool the strength of national NGOs (The Beijing Women's Congress of 1995); by creating a religious coalition preaching an international gospel aimed at cancelling the paralysing debt of Third World nations in hock to first-world financial institutions (Jubilee 2000); or – looking at Seattle in the fall of 1999 or Washington in April of 2000 – by mobilizing unions, international environmental organizations, women's groups, and rights organizations into a sturdy coalition capable of challenging the unchecked reign of the IMF and the WTO over the world's poorer nations (the Mobilization for Global Justice and Global Exchange).

Once the circle is broken, and at whatever point, the circular logic of defeat unravels, and democracy becomes possible again. Old misused institutions like the World Bank can embark on a course of internal reform, its director James Wolfensohn mouthing the battle cries of the kids on the streets of Seattle. Joseph Stiglitz, formerly the Chief Economist of the Bank and Clinton's first Chair of the Council of Economic Advisers, can call the international financial institutions to task, backing the rhetoric of protestors with well-documented rage of his own.[15] George Soros, the champion of global speculation, becomes George Soros, the champion of global civil society. Nothing is possible until something is possible. At which point everything is possible. On the way to offering a diagnosis that shows that democracy cannot survive globalization, one finds that the diagnosis itself reveals democracy's capacity to render globalization democratic. With the circle broken, the hope for liberty is reborn.

[15] Joseph Stiglitz writes: 'In theory the (IMF) supports democratic institutions in the nations it assists. In practice, it undermines the democratic process by imposing policies. Officially, of course, the IMF doesn't "impose" anything. It "negotiates" the conditions for receiving aid. But all the power in the negotiation is on one side.' Joseph Stiglitz, 'The Insider: What I Learned at the World Economic Crisis', *The New Republic*, 17 April 2000.