

Globalization, Neoliberalism and the Exercise of Human Agency

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Published online: 25 January 2008
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Abstract Globalization as a development model is generally now regarded as the *sine qua non* for development policy with little room for alternative theorising on capitalist development. Neoliberalism, as the supporting ideology of globalization, inflates the social significance of the market and mystifies human relations. It therefore, gives a distorted view of reality, how people are living and their agential capacity to improve their lives. Critical to human agency is it the way it is exercised—does it reduce inequality or does it exacerbate inequality? How is this human agency exercised by different groups of people? The paper provides a discussion on the relationship between neoliberal ideology, globalization and the exercise of human agency. It examines the social reality of globalization and neoliberalism and how this affects the agential capacity of human beings to direct their development, as individuals, communities and as nations.

Key words Globalization · Neoliberalism · Human agency

Introduction

Since the early 1990s, the subsequent ideological shift that accompanied the collapse of socialism in Eastern Europe, suggests that development models based on liberal democracy and capitalist economics must not deviate away from the route of development being led by the USA and the European Union (EU) and by the three major international financial

This is a revised version of a paper presented as “Human Agency in an Era of Neoliberal Globalisation”/ “Agencia Humana en la Época de la Globalización Neoliberal” at the 15th Annual Conference of the Radical Philosophy Association and the Institute of Philosophy, Universidad de Havana, June 23–27, 2003 in Havana, Cuba. Attendance was made possible by the School of Graduate Research, UWI Cave Hill.

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institutions—the International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO), and followed closely by official development assistance organisations such as United States Agency for International Development and the EU. The collapse of Eastern European socialism and the Union of Soviet Socialist Republics (USSR) provided the impetus for trade and financial liberalisation to occur at a global level. Global specifications for trade between nations are being prioritized above national specifications. Globalization, is, apparently the development model to be pursued. In many countries, the space for national development policy formation is crowded by liberalization policies that accentuate and exacerbate asymmetric globalization and social inequalities between nations and among women, men and children (UN 2005). Thus, there is a disjuncture in the relationship between local/national development and global requirements for those that lead the ‘global’ economy and the financial and economic institutions that govern. This disjuncture is critical as its social realities speak to the deterioration of the human condition in the midst of materialist improvement, both in the developing and developed world¹. With governments spending less on social services, followed by a decline in real expenditure per person, the quality of life of the poor in particular has deteriorated. At the same time, the cost of providing care has shifted to communities and households and is primarily borne by women, in unpaid social reproductive roles. However, there has been the suggestion that this disjuncture will dissolve, and that this is just a phase to the next level of development (World Bank 1999; Randriamaro 2002).

Globalization began in the late sixteenth century when feudalism ended in Western Europe and capitalism was born. In a very general sense, globalization represents the consolidation of a western-led model of development marked by the establishment of the European nation–state, which, has, by extension, never really existed within the confines of its national boundaries. The nature and requirements of capitalism has meant the search for products and the expansion of capital in other parts of the world. (Addo 1984; Wallerstein 1999, 2000; Watson 2000). To facilitate this, military force, violent removal/dislocations of peoples, slaughtering of different groups, ‘expansion,’ ‘progress’ has always accompanied the growth of capitalism in its global reach. No region of the world has been spared. Therefore, understanding capitalism as a social relation leads to the core of that relationship: domination. It is the capacity to use force or to inflict suffering, Heilbroner (1985, p. 39) opines, that “remains the essence of the capacity for domination.” At various levels, this pattern of domination may be the common thread that significantly influences relations between and often found among families, communities and nations, across ethnicity, class and gender. Globalization is intricately tied up with the forces of imperialism and is essentially, not really new in form, but rather new in the *nature* of its manifestations of domination. Petras and Veltmeyer (2001) point out that globalization at a minimum involves the creation of a world economy that is not just merely the sum of its national economies, but rather a powerful independent reality, created by the international division of labour and the world market, which, in the present epoch, predominates national

¹ *Developing countries/regions* (49): All the countries in Africa, Asia, the Pacific (excluding Australia, Japan and New Zealand), the Americas (including Mexico, Central America and South America, and the Caribbean). *Developed countries/regions*: North America (the USA and Canada, excluding Mexico) the G-7 industrialized countries, plus Southern and Western Europe (excluding Cyprus, Malta, Serbia and Montenegro), Australia, Japan and New Zealand. Of note however, is that among the developed regional grouping, first nation peoples in Australia, Canada, New Zealand and the USA live in conditions of extreme poverty and social exclusion comparable with the developing world. See UNESCO for regional classifications.

markets. Large scale, long term flows of capital, commodities, technology and labour across national boundaries, have always defined the process of globalization. The driving force of contemporary globalization retains some of the key features of its earlier periods: dominated and led by a set of core states (the G8 countries,² including the triad—USA, Japan and Germany), supported by international financial institutions (IMF, World Bank, etc.) and backed by transactional corporations (Petras and Veltmeyer 2001; Wallerstein 1999).

As the new telos of capitalism, globalization is much broader and fast in the scope and scale of the movement of capital and commodities; and blurs the meanings of privacy, freedom and agency due to technological advancements. All the relations of production and of labour are geared towards capitalist and materialist accumulation. Dominance of capital as a social relation may manifest itself in a very socially dysfunctional form that is often supported by ideology. It may give the illusion of capital accumulation as the ultimate satisfaction or a form of human happiness. In so doing, other forms of human activity lose validity and ethical meaning. Disempowered human agency or human agency, which unquestioningly submits to the technological demands of capitalism, is a life that exists solely as a mere peg in the wheel of capitalism—a consumer citizen. Globalization, as the technological era of global capitalism increasingly governed and led by the use of technological instruments, tempts us to question the meaning and the value of human life. More and more of the majority of the world's poor, women who may be producing for exchange value, have to struggle to obtain basic food, water, shelter, clothing, sanitation, medicine and protection.

When it comes to human agency, people make choices, motivate and regulate their behaviour on the basis of belief systems and cultural background. Unless people believe that they can produce desired outcomes and forestall or prevent undesired ones, they have little incentive to act or to persevere in the face of difficulties (Bandura 1986). Personal and collective goals and aspirations are rooted in value systems and core of a culture. These provide further incentives and guides for action. People also act out their life course based on the outcomes they expect their efforts to produce. How people view the opportunities and obstacles in their environment shapes the lives they lead. These are what form the foundation of human agency (Bandura 2000).

With globalization the issue of human agency arises, both at the level of the global elite and the ordinary citizen. Who are the human agents behind the forces of the globalization? How do the political and economic elite contribute to the exploitation of the developing world by the ways in which they exercise their human agency? The way power is used in the international system, is a function of human agency. Western theorising on international relations defines human nature as selfish, aggressive, competitive and given to primordial anarchical tendencies if not tempered by international law, national law and the balancing of powers by state–state relations. This further gives primacy to the human nature as essentially individualist, whose agential expression are often separated from its membership in a society. The rights of the individual are supreme, even in opposition to society (Amin 2001; Watson 2000). Agency, limited to this western and masculinist definition under capitalist development would be individualist with a tendency towards autocracy for the achievement of its own ends. A broader understanding would be to see human agency as that inherent capacity in each person to think, make choices and act, within and based on the socio-economic, political and cultural forces around them, in order to improve themselves and their families and communities.

² Canada, France, Germany, UK, USA, Japan, Italy make up the G7. The addition of Russia comprises the G8.

Ideology and Globalization

Ideology is a force that affects human agency; and it is the strength of globalization that lies in its ideological influence in peoples' lives. If ideology has to do with social construction of ideas and their promulgation via various media in order to shape one's thinking in a particular direction; it definitely comes into play when one considers how globalization as model of development is promoted. Ideology is not necessarily completely true or false; rather its power lies in its manipulative capacity to obfuscate flawed social conditions, giving an illusory account of their rationale or function, in order to justify and win acceptance of them without protest or resistance in some form (Sypnowich 2001, p. 3). Poverty and inequality are increasingly being regarded as a normality that facilitates and "cradles the system of private capital accumulation and protects the system of capitalist property rights" (Watson 2000, p. 388). The ideological meta-narrative that is communicated is one of a plenty, where more is better and the general acceptance of the idea that each person has the same chance at prosperity. If one is poor, it is the inability of that person to take advantage of the opportunities offered to them by globalization. As such poverty and inequality therefore have no connection to the structural issues of concern for North–South relations such as trade regulations, financial flows, investment conditions, the power of transnational corporations, levels of indebtedness and the rights of workers. The role of international and political economic structures and interests as co-determinants to poverty and continuing inequality is not recognized.

The role of ideology as far as globalization is concerned is that its ideas continue to facilitate the relationship of inequality and dependence that was created with the establishment of imperialism in different regions of the world from its inception in Western Europe in the fifteenth and sixteenth centuries onwards, under 'imperialism', and/or the 'civilising mission' (Bessis 2001, p. 13). Addo (1984, p. 257) argues that this dependent and unequal relationship that we find in capitalism need not have been there, but rather was "induced by the initial inequality to complete the conditions for automatic and efficient capitalist expansion". To justify this, however, a new ideology which still prevails today was developed: the road to development must be led by the West; the pinnacle of civilisation belongs in the West; the West is mandated by God Almighty to determine the rules and principles of living for everyone on the planet; and with this mandate, the rest of the world, especially those representing "non-Western" civilisations, will only be to grateful to follow this so-called universal truth (Bessis 2001, p. 15; Said 1993, p. 3, Rist 2006, p. 81). Said (1993, p. 3) also noted, that it is more than acts of acquisition and accumulation, rather "these practices are supported and perhaps even impelled by impressive cultural formations, that include ideas that certain people and certain territories require and beseech domination."

Human agency is at the heart of this exploitative relationship insofar as it is a mutual relationship where inequality and dependence come together in a distorted way among different groups of people. Addo (1984, p. 258) points out that it is the "mutual unfolding of the two processes (inequality and dependence) is what accounts for the stubborn persistence of capitalism's historic theme of accumulation of capital" which flows primarily from the developed regions ("the centre") to the developing regions of the world ("the periphery"). The induction of an exploitative relationship solely for financial benefit may be perceived as an invasive sort of human agency, guided by greed insofar as it is a relationship that is entered into with complete disregard of the social outcome for another group or communities of people. Inequality begins with this dismissive approach of one group of humanity towards another group of humanity in order to facilitate capital accumulation. Dependency on the other hand, we could argue as the surrendering of a

community's agential capacity in the hands of, or control of another group which is more powerful in some form or the other (especially militarily and is willing to use force to impose an exploitative capitalist relation); and here we have exploitative human relations as defined by capitalism.

Neoliberalism is the ideology that promotes its own brand of capitalist restructuring; that which we call globalization. It continues along a line of thinking of knowledge, society and history, emphasizing rationality, scientific objectivity, essentialism and the linear directions of time, thought and development; and operates in rigid binaries of primitive–modern, black–white, man–woman, first world–third world, developed–underdeveloped. In this vein, the Western model of civilisation and/or development is put forward as *the* model to emulate and the basis upon which a developing country must accommodate its market(s), policies and populations in order to ‘catch up.’ Further, moving in linear progression from ‘developing’ to ‘developed’ is more likely to occur if one's economy is primarily directed to meet the needs and interests of the web of global capitalist relations dominated by the ‘developed countries’; and in meeting these needs will serve well for the developing country.

With thinkers such as Friedrich von Hayek and Milton Friedman at its nucleus, in a truly Gramscian sense of cultural hegemony, neoliberalism has achieved this dominance through think tanks, research centres (e.g. the Project for a New American Century, the Brookings Institute, the Cato Institute, National Endowment for Democracy, La Société Politique, among others), publications and the media despite the fact that it is a totally artificial construct. As a set of ideas that have consequences, neoliberalism has proven to dominate all spheres of economic and political discourse—with a strong sense of inevitability and absolutism that no other alternative apparently exists (Watson 2000; Girvan 2000).

Generally, neoliberalism is about facilitating freer movement of goods, resources and enterprises across national boundaries, ultimately seeking cheaper resources to maximize profit and efficiency. For the purpose of this paper, we may summarize it as a theory which endorses the market as the mover and shaker of the economy and the key instrument through which social problems can now be solved. It requires: state disengagement, reduced policy autonomy by the state (and more toward the international financial institutions which promote the implementation of a neoliberal programme); ideological separation of economics from the political process; emphasizes a growth-first strategy as ‘development’; emphasizes international competitiveness as positive; and trade is viewed as the engine of growth (Mengisteab 1999, pp. 140–144). Thus, power shifts from labour to capital and from state to market and international financial institutions, and as such, citizens are locked out of major decisions that affect their social well-being. In essence, neoliberalism promotes a ‘development strategy’ that emphasizes efficiency, growth and competitiveness over social justice and redistribution.

The ideology of neoliberalism, works through specific institutions and regimes that significantly controls the way in which globalization is directed. Neoliberalism is becoming more far-reaching in its ideational impact. Imbued with a promethean impulse, this brand of globalization presents us with a world of limitless opportunity of things: a world of technological rapidity, a borderless culture of material contentment, available at the click of a button or the swipe of a card. Increasingly the role that TV media plays and the news and angles that the media takes, are controlled for the most part by these same corporations will carry nothing serious or any kind of critical analysis of the conditions of a globalized world. These dominant media firms, such as AOL-Time Warner, Sony, News Corporation, and Viacom, see themselves as global entities, where commercial deregulation, convergence and consolidation of overseas markets is the order of the day (McChesney 2001). In short, once you are hooked into US cable the world becomes pre-occupied with a world that does

not reflect the reality of the majority of the world's population (Wilkin 1996). This is problematic because of a social preoccupation within American culture with material things as objects from which happiness may be derived. Consumerism, such as going shopping, or using different products or finding new products, are promoted as ways which should actually make life easier. In some cases, this may be so as the ideology of neoliberalism seeks to capture private life and define it under the regime of capital. Hence, more and more aspects of daily living become commercialised, as there is a continuous search of business in areas of social activity that can be subsumed within the capital-generating circuit (Heilbroner 1985, p. 118).

Thus advertising images by McDonalds and Wal-mart for instance, presents us with products of consumption as the glue of family life. Pepsi and Sprite become essential to cultural connectivity and the quenching of thirst. However, the preoccupation with things as significant to human happiness presents a false sense of reality at different levels, where the widening gap between the rich and the poor, between men and women, is a prominent feature of globalization. So it is difficult to fathom that happiness can be derived from using a rose-scented soap, when one considers that 1.3 billion of the world's population have no access to clean water much less being able to purchase a rose-scented soap.

Ideologically, the forces of globalization, seek to reshape the world in accordance with a new global imaginary that serves the interests of some far better than most. A triumphant account of globalization sees it as the imminent unification of the world when in reality it is their vision of the world as their market (Pérez Lara 1999). The ideologues of globalization, may promise plenty for all, but the actual forecast of what globalization spells for the future could be seen as pessimistic, depending on your location. Box 2 demonstrates, however, that poverty and inequality continues to be a feature of global capitalism and its manifestations have been arguably more acute since the onset of contemporary globalization. Economic marginalisation also implies political marginalisation as in the midst of spreading democracy; the most important decisions about human life are progressively removed beyond the reach of electorates. Women and the poor in particular who are often not adequately represented in the upper echelons of political power where the decisions that affect so many are made, will increasingly have less access to these avenues of power and decision-making.

Thus the world may be reconfigured but the reconfiguration takes place under the regime of capitalism which continues to reproduce under new circumstances, and in new forms, the new inequalities built in its structuring of the world. The term itself is conspicuous. While it suggests that globalization is a process encompassing the entire globe, again it is in reference to the market that the globalizers envision—everywhere and anywhere that is within their reach. Actual areas and peoples of the world are not necessarily significant in and of themselves unless they facilitate capital accumulation.

Wilkin (1996) speaks of the representation of globalization whereby the global mass communications promotes and disseminates the material commodities and become significantly persuasive components to secure consumers and to maintain market share. The suggestion here is not that people are devoid of agency and that all we do is sit back, shut up and shop. Rather, the suggestion is that in selling the material commodity, a lifestyle of consumption, abundance, wealth and luxury is also promoted. The idea is to promote a kind of consumer citizen that may somehow attain bliss or happiness from reducing contact with nature to the use of an apricot-scented shampoo or eating a fruit that is 'perfect' because it has been grown in genetically controlled environment. And this Western lifestyle is a myth, an empty, spiritless place, which has no bearing on reality in which one in five persons lives in abject poverty. What is important about the propagandistic role of mass communication in

promoting this ideology is that it also promotes and reinforces a view of the world that serves to mystify social relations (Wilkin 1996).

The ideological weight of globalization, suggests that market-driven economic policies, and privatizing social services such as education, health, water, electricity and telecommunications, and trade arrangements based on the purchase of cheap raw materials from the third world and opening up third world markets to first world products will allow for social development. Continuing this basic economic relation established with fifteenth century imperialism from imperial power to colony, to date has not proved beneficial for the developing world. Instead what has occurred has been the exacerbation of existing structures of inequality, thereby linking neoliberal policies to new forms of social exclusion. The neoliberal policy package draws its social power from the political and economic power of those whose interests it expresses: stockholders, financial operators, industrialists, conservative politicians and high-level financial officials. Bourdieu (1998, p. 3) similarly emphasizes that neoliberalism “to favour severing the economy from social realities and thereby constructing, in reality, an economic system conforming to its description in pure theory that is a sort of logical machine that presents itself as a chain of constraints regulating economic agents.” Bourdieu carries this role of ideology further by elaborating on it as a form of ‘symbolic violence’ by which he explains as the manner in which those who wield power exert their domination with the tacit consent of the dominated. This particular world order, being promoted as ‘logic’ and ‘natural’ indeed amounts to no more than parochial ‘truths’ being elevated as universal (cited in Rist 2006, pp. 78–79) and negatively affects the functioning of the world capitalist system and the exercise of human agency embedded in the web of social relations within.

The Social Reality of Globalization and the Exercise of Human Agency

Each country is unavoidably a part of the world capitalist system, and most of the world's economies are oriented towards satisfying the needs of the core/centre states and as such are structured to continue to service the accumulation of capital to the centre. Valid movement away from this dependent and exploitative relationship, or even strategic political decisions to lessen this dependency, is to recognise the contradictions within the world economy and still act upon them. Therefore, a country's location in the global capitalist system, combined with its internal politics, may affect the way that country responds to these changes. The nature of its internal dynamics will determine whether or not a country responds pro-actively or passively towards globalization, or whether it chooses to respond at all. It is the internal dynamics and the relationships that political elites have with the controlling agents of the institutions, which command globalization that will determine the extent to which a country questions the policies that are being promoted and adopts a more autonomous response.

Hernandez and Iyengar (2001) point out that human agency and the demonstration thereof is determined primarily by cultural differences. In Western cultures, human agency is characterised as individuals being motivated to act, unencumbered by the others, establishing their distinctiveness from others and by remaining uninfluenced by collective pressures. In collective settings, if an individual is perceived as detrimental to the collective, that individual may be rejected and cast out as useless. Westerners emphasize Aristotelian logical reasoning that is the adherence to rules and categories as essential.

By contrast, the agency of non-Western cultures, for want of a better word, has been characterised as being interconnected, interdependent and collectivist. This is very general at this stage but the point I want to suggest is that not *only* the inner self, but rather the

relationship that the self has with others is also of great consideration in terms of motivation and actions. Hernandez and Iyengar (2001) point out that it is more culturally common among various non-westerners toward dialectics, emphasizing complexity, change and contradiction.

Human agency has its origin either in the individual person or in the collective, depending on whether that culture promotes individualism or collectivism. Personal agency dominates the cultural ethos of the West, while collective agency dominates in non-western societies (Hernandez and Iyengar 2001). Since the development of capitalism and its relationship with imperialism, (and the cultural undertones as well) the relationship between the two is not simple. We note that generally, in western society, individual agency can be traced to the Judaeo-Christian belief in the individual soul, the British legal and philosophical tradition of individual rights and Adam Smith's economics of individual self-interest and free markets, and the exaltation of individual freedom. Additionally, it mystifies one's sense of control, inflating the individual and deflating the collective and the Creator (Hernandez and Iyengar 2001).

Societies that are western as well as 'non-western' by virtue of a former colonial relation have a more complex dilemma to work out in the relationship between the individual and the collective in the exercise of human agency. Former colonised territories, now developing countries, because of the cultural disjuncture created by several centuries of colonisation and imperialism, there is often a schizophrenic relationship with individualism and collectivism, insofar as the western ethos of that developing society may obtain bias against its own non-western/indigenous/African/Asian part, and reflect individualist values that are deeply rooted and originate from the western capitalist and cultural ethos. The non-western side—that which embodies collectivism, managed to flourish in spite of the cultural and psychological pressure brought to bear by colonialism. But the outcome of this is often a love-hate relationship with both individualism and collectivism in the ways in which human agency is exercised and the neocolonial elites of many developing countries; ensure that the colonial umbilical cord is never really cut off, much less buried. Agency in such situations, therefore reflect a more ambivalent relationship with those who control the reigns of globalization as there is no clear and consistent vision by neocolonial elites who maintains these relations that prioritises *national* needs above capitalist/profit making interests, even though the political language of the elite may say otherwise. This ambivalent exercise of agency perpetuates 'undevelopment.'

Inequality or equality is highly dependent upon the amount of opportunities that are afforded to an individual or group of individuals to improve their lives. Exercising agency therefore, can either contribute to inequality or enhance equality. Where inequality exists, human agency is diminished. Where equality is promoted based the design in social policy, human agency is also enhanced. Reducing inequality and enhancing human agency is entirely dependent on the policy environment and whether or not the state considers its population as central to development, however defined.

According to the UN (2005) World Situation Report, Globalization has exacerbated world inequality insofar as the wealthiest 20% of the planet Earth account for 86% of all private consumption while the poorest account for just above 1%. Furthermore, the poorest 20% of the world's population saw their share of world income decline from 2.3% to 1.4% in the past three decades; while that of the richest 20% grew from 70% (Human Development Report 1996, cited in Girvan 2000).

Since national policies have been reduced to neoliberal policy reform, social inequality among and between countries have risen. Social inequalities and gaps in income and wealth have reached levels which provoke social unrest. Human agency translates increasingly into

human despair as inequality and the ability to do something about it, reduces with each generation. With less and less investment in human capital by the state, individuals have less opportunity and access to contribute to the betterment of their own lives. In short, the human agency is diminished by the reduction of access to and quality of social services. In the Caribbean for instance, reduction in social spending has meant that large segments of the low-income population are excluded from many areas of public welfare. This exclusion increases the likelihood of intergenerational poverty (World Bank 1999). Restrictive fiscal policy environment can make poor families and communities vulnerable in their ability to absorb and recover from market shocks demanded by neoliberal policy reform. The poor, and women in particular who are most vulnerable to those market shocks, will carry increased burden. Women for instance, will carry the primary burden of providing unpaid care in efforts to sustain the family, where as big corporations will be subsidised by governments through tax breaks and other incentives.

Policy environments become increasingly hostile to social development and do not facilitate the average human being's agential capacity. Indeed, it basically reduces human beings to living a life of insecurity and tension, resorting to survivalist strategies. Class relations become more combustible as income disparities and class differences become more pronounced. Increasingly more people may choose to become involved in illicit income generating activities in order to survive. In such instances, the neoliberal policy environment saps human agency.

An example from Indonesia and Malaysia demonstrate the opposite: that inequality has been reduced because of government efforts aimed at redistribution and employment generation since 2000 (UN 2005, p. 17). With a reduction in inequality, human agency is enhanced. Nevertheless, in reference to South Asia in particular, Kamal Pasha (1999, pp. 234–250), argues that the major losers of the results of neoliberal policy reform in the developing world, has been small scale producers, state workers, agricultural workers, small farmers, small business entrepreneurs and industrial workers, especially women.

In the context of the pervasive trading and financial arrangements brought on by human agency can be diminished at various levels. First, agency is diminished internally, through the relationship with patriarchal nature of political systems, notably the overall economic subordination and inadequate participation of women in decision-making processes at the national level. Second, human agency also diminishes through the interplay between internal and external relations of domination. Internally sapping human agency of women and other marginalised groups enables to a large extent the perpetuation of the inequitable trading and financial arrangements, and subsequently the domination of powerful countries' interests and the perpetuation of aggressive-materialist agency (Randriamaro 2002, p. 10).

Similarly, human beings are increasingly being commodified and traded as sex slaves, prostitutes or trafficking victims' as globalization has seen an unprecedented growth in the underground sex industry (Poulin 2004, p. 3). More women and children are made vulnerable to the already structurally discriminating environment and the hierarchical relationships that exist between the developed countries and dependent countries and between men and women. In recent years under the impact of structural adjustment and neoliberal policies in numerous developing countries as well as in the ex-USSR and Eastern Europe, poor women and children have become "new raw resources" within the framework of national and international business development. According to Poulin (2004, p. 2) "globalization has created a market of sexual exchanges in which millions of women and children have been converted into sexual commodities". This sex market has been generated through the massive deployment of prostitution (one of the effects of the presence of military forces engaged in wars and/or territorial occupation in particular in the emerging

economies), the unprecedented expansion of the tourist industry, and the growth and normalization of pornography (see Box 2). This industry is based on the systematic violation of human rights, for it requires a market in commodified human beings and the complicity of pimps and clients who are prepared to buy and sell women and children. It is only one among many varied instances of the commodification of all of life which is a defining characterization of current neoliberalism, a pattern which hits at the core of human agency and robs one of the dignity inherent in each human being on one hand, and diminishes positive use of agency on the other.

Consumption patterns in Box 1 provide an insight into individual well-being and the extensiveness of inequality worldwide and further demonstrates the excessiveness of human agency on the one hand, and the lack of it on the other hand.

Box 1. 'Undevelopment' Statistics
(Figures in billions of US dollars)
The estimates of the additional annual cost required to achieve basic social services in all developing countries.
Basic education - \$6bn Water/sanitation - \$9bn Reproductive health for all women - \$12bn Basic health/nutrition - \$13bn
Annual amounts spent on certain products in the USA, Europe and Japan:
Cosmetics (USA) - \$8bn Ice cream (Europe)- \$11bn Perfumes (Europe/USA) - \$12bn Pet foods (Europe/USA) - \$17bn Business entertainment (Japan) - \$35bn Cigarettes (Europe) - \$50bn Alcohol drinks (Europe) - \$105bn Narcotics drugs (worldwide) - \$400bn/ USA - \$185bn Military spending (USA) -- \$288 Billion (for 2000)
Source: UNDP Human Development Reports, 1998-2000; and www.globalissues.org/TradeRelatedfacts.html

Such patterns demonstrate two extremes highlight excessive consumption and deprivation by identifying who has access to resources to goods and services and who does not have access to even the most basic of goods and services. Furthermore, Box 1 above, points to excessive materialist accumulation in the developed world that leads to self-destructive life-styles such chronic addictions, over-eating and alcohol consumption. It is a form of social pathologies that defy developed country status. Is this what the developing world should be emulating? Human agency is individualist and dysfunctional here insofar as enough never seems to be enough and so there is a continuous search for some other material product that would provide happiness. While accumulation of material things is no guarantee of happiness, the endless search and consumption of material things continues.

There is danger in an idea or group of ideas amounting to an ideology that seeks to reduce the value of human life to the facilitation and/or provision of materialist accumulation and not much else. This is aggressive-materialist tendency in the agency we see in globalization and some of the agents that have most of the decision-making and

financial power over the leading and directing the process of globalization. Another way of looking at this aggressive-materialist expression of agency is to pay attention to the way it affects the agency of the poor. For instance, technological advancements in science and medicine have commodified nature and life forms and thus creating the possibility of cheating disability and postponing death for those who can afford it. It has created a 'demand' for vital body parts that can be bought and sold. There is a rising demand for kidneys in the global market; this demand is met from those among the poor in India, Turkey, Romania and the Philippines, who have run out of things to sell: fish are gone, coconuts are priced too low and the demand for unskilled labour is not as high as that for kidneys. Poor persons who have surrendered their agency in order to improve a situation end up being worse off because regular medical attention is required after kidney transplants which they can ill afford and end up neglecting in order to feed their families (Coronel and Dixit 2006, p. 15).

This example of conflicting exercise of agencies demonstrates the extent to which the tentacles of the global economy with its belief in the virtue of markets, and the invasion of international corporate interests into every aspect of life; distorts the sheer sanctity of human life.

Policies are directed by thought and followed through by action/agency. No action or idea is fixed unless one wants it that way and makes a decision about it. As an inevitable force, globalization is promoted as something out there that has no agency when indeed there is. Actors, whether government officials, chief executive officers (CEOs) of multinational corporations, or International Financial Institution (IFI) officials are mostly responsible for the process of globalization but this agency is exceptionally individualistic, that does not acknowledge that there is more to life than material wealth and individual pursuit. Grumberg and Khan point out that the main engine of globalization, "technology and the expansion and integration of markets, it is not a force of nature but the result of processes driven by human beings" (Cited in UN 2005).

The Western universalism implicit in the neoliberal approach assumes that application of these policies will amount to economic success in every country which undergoes neoliberal policy reform. Rooted in neoclassical economics, neoliberal policies assumes that implementation of privatization, liberalization and deregulation will always guarantee very specific results regardless of the social and cultural contexts within which they may be subjected to (Girvan 2000, p. 71). At another level, universalism may be a diplomatic mask which government officials, IFI officials, *statesmen* and leading transnational elites of the G7 wear to disregard the power dimensions involved in the politics of neoliberalism. As such, this could be argued as aggressive-materialist agency aimed at protecting and maximizing the profits of a neoliberal project, at the expense of mounting social exclusion of people; and further limiting more positive expressions of human agency. This issue of social exclusion is important in understanding the destructive nature of aggressive-materialist behaviour and how it can deprive persons of agency and overburden others unnecessarily.

These changes in the capitalist world economy have been exercised by the power of governments and corporations, and far from being inevitable, uncontrollable or positively integrating, they reflect concrete acts of human agency with specific goals and interests to defend and uphold. This idea of governments as powerless to the forces of modern capitalism/globalization serves only to mythologize the workings of the system itself. What a policy has created another policy can alter. This assertion of inevitability, approaches development in a very linear fashion, where each period is a culmination of the changes that preceded it and therefore touted as a very 'natural' progression in the order of things (Weeks 1999). Any prior policy is now deemed anachronistic and irrelevant to the 'new'

times and more advanced stage of society that we are supposed to be living in. And we must ask advanced for whom? And this leads us to ponder on the classism in such a materialist approach that is by its very nature, devoid of seeing the history and the development of human society as cyclical and transformative processes. We would do well to recall the triumphalist call of imperial dominance of capital over labour in the nineteenth century, when its ideologues proclaimed the dawning of a new era and that domination would be eternal. That period ended in a devastating war among various European nations and the Russian Revolution (Weeks 1999).

Box 2 below provides a snap shot of 'how well' the capitalist world economy has functioned and statistically gives one a glimpse of how the role of human agency could produce such outcomes.

Box. 2 Poverty Statistics and Facts Across the Globe

- 20% of the population in the developed nations consume 86% of the world's goods.
- The top fifth of the world's people in the richest countries enjoy 82% of the expanding export trade and 68% of foreign direct investment -- the bottom fifth, barely more than 1%.
- 1.3 billion people live on less than one dollar a day;
- 3 billion live on under two dollars a day;
- 1.3 billion have no access to clean water;
- 3 billion have no access to sanitation;
- 2 billion have no access to electricity.
- The richest 50 million people in Europe and North America have the same income as 2.7 billion poor people.
- The world's 497 billionaires in 2001 registered a combined wealth of \$1.54 trillion, well over the combined gross national products of all the nations of sub-Saharan Africa (\$929.3 billion) or those of the oil-rich regions of the Middle East and North Africa (\$1.34 trillion). It is also greater than the combined incomes of the poorest half of humanity.
- Direct obstetric deaths account for about 75 per cent of all maternal deaths in developing countries.
- Data shows that at least one in every three woman is a survivor of some form of gender-based violence, most often by some one in her own family. [1999 Johns Hopkins global report]
- Over 110 million of the world's children, two thirds of them girls, are not in school.
- Data shows that employment for women vis a vis men is less secure, more likely to be temporary and is sometimes narrowed to low skilled under paid sectors.
- Data shows that poverty levels are higher among female headed households accompanied by lower consumption patterns when compared to their male counter parts.
- **Estimates of children brought into the sex industry every year:** 400,000 children in India; 100,000 children in the Philippines, 200,000 to 300,000 in Thailand; 100,000 in Taiwan; 500,000 children in Latin America, 2.4 million in the USA; 200,000 to 500,000 in China; 500,000 to 2 million in Brazil.

Source: UNDP Human Development Reports, 1998-2001; www.globalissues.org/TradeRelatedfacts.html; UNIFEC gender facts and figures, Progress of the World's Women 2005; UNICEF, 2003. *Child Trafficking Statistics*. New York: UNICEF <http://www.unicef.org/programme/cprotection/focus/trafficing/stats.htm>.

Conclusion

While hunger and malnutrition haunts the poor, over nutrition imperils the affluent demonstrating the commonality of human misery of different types. The scale of human suffering in an increasingly technologically advanced, well-networked, informed world is

made more disturbing by surmounting contempt for the poor and structural biases against women (Coronel and Dixit 2006, p. 17). Globalization and neoliberalism, being twin processes at both ideological and empirical levels, often overlap in terms of policy prescriptions that dominate the development agenda in this twenty-first century. With its emphasis on economic growth, it becomes evident that social development is not being enhanced; rather human dysfunctionality is increasingly more prevalent. The current international policy environment does not appear to recognise the weaknesses in deviating away from a socially oriented development model. As long as this environment is dominated by issues such as free trade, intellectual property rights, financial and capital liberalisation as well as investment protection, and the role of the state is continually relegated to the guardian of law and order in the midst of a socially hostile policy environment, there is great risk. A range of possibilities for resisting these changes exist and not all positive. This may take the form of social implosion or social explosion with increasing use of force as a method of solving problems. The implosion or explosion may be acted out against the state, whether directly or indirectly through sabotage. Alternatively, possibilities exist for the opening up of spaces for dialogue and transformative change. It will remain a risk as long as the neoliberal response to resistance to globalization is dismissive of inequalities and clamps down on law, order and civil liberties as an expression of power and control of the status quo. This dismissive approach toward humanity harbours resentment and promotes the resort to desperate measures and may not be sustainable or positive for any one. Human agency therefore, is expressed through the interactions which are fundamentally constructed through social and cultural structures and power relations; each comes with their own position, and is implicated by patterns of power predicated on structures of global injustice.

Heilbroner (1985, p. 46) argues, that the nature of capitalism will always rest on considerations of power especially where the possibility of wealth maximization resides, there will always be a drive to accumulate more. He argues that “the additional stimulus given to the drive for wealth by its generalization as capital does not supplant its unconscious meanings of personal pre-eminence and social domination but sharpens and intensifies its energies that must be devoted to its protection and to its accumulation” (Heilbroner 1985, p. 58). In this regard, is it pointless to question the use of this kind of agency which at its base is greed, especially if it entails a structural inequality of life conditions? Is it sustainable?

There is a need for the actors, who lead the process of globalization, to recognise and accept responsibility for their dysfunctional acts of agency. The blind transposition of economic, political and cultural structures harms people and affects their own agential capacity to chart their life course. When global actors exercise this kind of dysfunctional agency, be they the analysts at the World Bank and the IMF, officials of the WTO, CEOs of transnational corporations, trade and finance ministers at summits, make decisions to compel a nation to adopt Western economic systems and practices they should bear the responsibility of the outcome of those decisions. More so, high-ranking officials and advisers of the developing world need to question their own agency in agreeing to policies that exacerbating their countries' impoverishment; and their role in limiting the agency of their own populations.

The rhetoric of inevitability and the promise of profit if we leave the market to work its magical wonders, allows proponents to push aside the ethical responsibility for the consequences. The agency is misplaced and driven by greed; indeed the agency is not very humane. What it also indicates is the extent to which the West dominates and leads the process of globalization, the individualism which stands at their cultural core, which marks

their manifestation of human agency, works to the detriment of the developing world. It also points to the possibility of excessive dependency on the part of the developing world, and their acts of agency, in certain quarters, where political elites may have the power to do otherwise. While it may be dependency, insofar as, political elites of developing countries cannot foresee any other way of relating to the developed world, we also have to consider greed and the financial benefits that may accrue to politico-economic elites if they sustain the status quo. This agency is distorted and ambivalent, for at the same time, we may also hear cries from some political elites of the developing world of unequal trade relations, and the wretchedness of globalization, and where many of their elites are not really interested in affecting, for the better, the relations of inequality and exploitation internally.

The complexity of exercising human agency also reflects the extent which, regardless the problems of capitalism, many have bought into it as a model. The controlling elites of this process of global capitalist development become more and more exploitative, constantly trying to find people (read: markets and untapped or 'undertapped' regions of the world). There is a lack of compassion in the model. Instead of using this as an opportunity to improve the social aspects of capitalism, the agency is being directed to deepen inequalities and relations of domination and exploitation. The dysfunctional forms of how human agency is manifested demonstrate a problem of dealing with the *real* reality, rather than the ideological one. The willingness of those who adhere to the model to more aggressively seek ways in which to discard life when it is not related to the business of accumulating capital demonstrates the urgency of addressing this absence of spiritual base for living and an absence of universal love for the diversity and value of human life in the capitalist model of development.

The *raison d'être* of capitalism is purported to be profit generation and maximization. It is the continuous generation of profits that promotes this euphoric atmosphere often found in neoliberal dogma. From this perspective, there is no other way and is evidence that the regime is fulfilling its mission—namely to organize the world according to the principles and ends for which it exists. Heilbroner (1985, p. 76) succinctly gives the reminder that “profits are for capitalism the functional equivalent of the acquisition of territory or plunder for military regimes, or an increase in the number of believers for religious ones....” Thus while capitalism still functions as an economic system; albeit it's exploitative tendencies, it would be difficult to envision a radical overturning as possible or even practical. The model has been accepted by the exploiters and well as the exploited. But disgruntling will be there because of the absences of social justice, equity and compassion in the model, which, at the level of human development, are basic requirements; *one has to have a love for humanity in order to develop it*. This is the dilemma that needs to be addressed in capitalism at socio-economic, epistemological and political levels. We will have to reconsider the way in which human agency is exercised, while recognising the complexity of it.

We have to not only look at the outcomes of exercising human agency but also what produced the outcomes both internally and externally and the relationship between the two. Acting out agency is an independent act driven by decision-making capacities. Therefore, while the current international trade and financial system as adopted in most countries is severely limited in terms of opening up new policy spaces, policies are not fixed in stone. Girvan (2000, p. 84) suggests that universalistic neoliberal policies need to be replaced with policies that respect economic and cultural diversity as well as creating policies that seek to reduce social exclusion, marginalization and poverty. We therefore, have to question the ideological framework that gives power to globalisation as a model of development, and weakens and distorts the positive potentiality of human agency. In other words, one has to deconstruct the epistemological conditions that made neoliberalism possible and offer

alternatives outside of mainstream thinking. Efforts offered by the World Social Forum and the “What Next Project” by the Dag Hammarskjöld Foundation are cases in point, where alternative proposals to the hegemonic model of globalization are put forward; and these emphasize equity, social justice structural transformation, self-reliant economic participation and ecological sustainability.³

Invariably an alternative policy environment has to not only question neoliberalism and its rules and terms of engagement, but it also has to deemphasize economic growth and embrace social policies that improve the agential capacity of human beings. Further more, such alternatives has to envision possibilities; ones that seek to make *structural transformation* of political and economic arrangements within and among states that are more equitable in nature; and most importantly has the political will to move from alternative ideas on development to implementation and social practice. Four core principles to guide policies and programmes for an alternative development are suggested here:

1. *Agential capacity*—enhancing basic agential capacity as measured by education, health and nutrition. These capabilities are fundamental to human well-being and are the means through which individuals access other forms of well-being.
2. *Access to resources and opportunities*—enhancing equality and equity in the opportunity to use or apply basic capabilities through economic assets (e.g. land and/or housing) and resources (e.g. income and employment) as well as political opportunity (representation in parliament etc.). Without these opportunities, both political and economic, neither women nor men will be able to employ their capabilities for their well-being and that of their families.
3. *Human security*—that is, freedom from violence and the threat of violence and conflict. Violence and conflict result in physical and psychological harm and lessen the ability of individuals, households and communities to fulfill their potential.
4. *Rights facilitation*—enhancing a basic legislative/judicial and programmatic framework that facilitates the granting of human rights as outlined by the United Nations Declaration of Human Rights, the Convention on the Rights of the Child, the Beijing Plan of Action, and the Convention on the Elimination of All Forms of Discrimination against Women; and guided by other rights-based approaches, among others.

A policy or group of policies can be changed, if a country or group of countries want to alter the way in which their society addresses this technological era of capitalist development. It is clear that a new paradigm for development is necessary, one that aims to satisfy or facilitate basic human needs on the basis of independence, intergenerational equity, environmental sustainability, rights facilitation and adequate access to health, education and living conditions—the very things that facilitate the positive expression of human agency. It is not so clear how the transition will occur whether from people participating in social movements or from people within governments, or even a variety of combinations. The very nature of how new paradigms emerge for development transformation is structural, complex and tense as it speaks to the heart of interactions between people and nations and the social relations of power within and the way in which

³ For information on the World Social Forum, see <http://wsf2007.org/process/wsf-charter>. See also *What Next* volume 1: Setting the Context, *Development Dialogue*, no. 47, June 2006.

human agency is exercised. However, what is clear is that the neoliberalism and globalization as a model of development is unsustainable. So when “the centre” may no longer hold, the question is what will “the periphery” do?

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