Tipping the Scale:
Systemic Support for the Large and Global

by Steven Gorelick
US Programs Director, ISEC

Looking back on the latter half of the 20th century, a dominant theme that emerges is the way large scale has steadily supplanted small scale. This scaling-up is closely linked to globalization — shorthand for the relentless expansion of the western industrial model — and has expressed itself in several interrelated ways:

• Urban areas have grown exponentially, while rural life has become increasingly marginalized. By the late 1990s, there were 20 more cities with populations over 10 million than there were just 30 years earlier.[1] At century's end more people lived in urban areas than rural, for the first time in human history.

• In the North especially, small-scale family farms all but disappeared, their lands absorbed into industrial-scale agribusinesses. In the United States, where the farm population is already less than 3 percent, small farms are still going under at a rate of more than 30,000 each year.[2] England has been on a similar pace, losing half its farms between the end of World War II and the 1990s.[3] The same process is now under way in the South: China's farm population, for example, declined from 92% in 1975 to less than 40% in 1994, and is still dropping rapidly today.[4]

• Small-scale producers and local marketers have had to struggle to

survive, while transnational corporations have expanded phenomenally — some becoming economically larger than entire nations. Symptomatic of these developments is the disappearance of corner shops and locally-owned downtown businesses, and the spread of huge corporate hypermarkets and 'big box' stores on the edges of towns. These trends are most pronounced in the United States, but are happening elsewhere as well: in Italy, for instance, ipermarcati superstores have destroyed 370,000 small, family-run businesses in less than a decade.[5]

• Even within the corporate world, the scaling up has accelerated, with mammoth corporations seeking to grow still larger by gobbling up or merging with competitors. By 1997, mega-mergers involving American companies were being recorded at a pace of over a trillion dollars annually.[6]

• Thousands of local cultures have been erased, the ultimate victims of colonialism, development and 'progress'. In Brazil alone, 90 different tribes disappeared during the 20th century; in North America over fifty languages became extinct in just 30 years.[7] As the century closes, a steady regimen of advertising, Hollywood movies, satellite television, and the internet is homogenizing what remains of the earth's diverse cultures, helping create a single consumer culture of global proportions.

Taken together, these changes amount to a stunning reshaping of human societies everywhere on earth. It is difficult to disagree with technology critic Jerry Mander's conclusion that the globalizing process "is as historically significant as anything since the Industrial

Revolution."

Why is this happening? In contemporary mythology globalization is closely associated with the advance of democracy and freedom. This leads one to assume that people everywhere have consciously decided to destroy their small farms and local businesses, hand over control of their local economies to distant corporations and anonymous bureaucrats, and abandon their cultural identities in favor of the global McDonald's culture. Needless to say, this is an absurd notion. From the Indian peasants that ransacked Cargill warehouses and are campaigning against Monsanto, to the French farmers who blocked highways and dumped manure in the streets of Paris to protest GATT, to the U'Wa and other indigneous cultures fighting to retain their ancestral lands, people the world over continue to struggle against the juggernaut of the large and global.

Despite the democratic rhetoric, nowhere has there been a referendum or vote in which citizens have clearly consented to this radical reshaping of social, economic and political life.[8] Even worse, nowhere have people even been informed of the changes being imposed, along with their full implications. Instead, governments and corporate-controlled media have painted a distorted picture of globalization, highlighting its supposed benefits and glossing over its painful costs. In many cases, the destruction of local economies and cultures has been accomplished via a process of 'development' over which local people have no real control at all.

This lack of consent is usually explained away by another myth of globalization, which portrays the growth of the large and global as

the unstoppable product of historical forces beyond human control. According to this view a fully globalized economy dominated by transnational corporations is destiny; it is evolution; it is inevitable.

This notion, too, fails to stand up to close scrutiny: human hands and minds have been everywhere in the globalizing process, designing it, guiding it, and taxing the public to pay for it. It has been codified into government policy at almost every level, and the support it receives is deep and systemic.

A major element of that support arises from the institutions founded by the industrial powers at the Bretton Woods conference in 1944 — the World Bank, the Internationl Monetary Fund, and the General Agreement on Tarrifs and Trade — as well as the various treaties that have followed — NAFTA, the Maastricht Treaty, the WTO, MAI, etc.. All of those treaties and institutions seek to maximize international trade, to mold local economies worldwide to fit the shape of the industrial model, and to shift the locus of economic power from communities and local economies to the large corporations that now dominate the global economy.

This aspect of the motive force behind globalization has been well documented. A less often acknowledged but equally important component is the systemic support given to the large and global through the building up — at public expense — of an infrastructure tailored to the needs of the largest corporations. Those expenditures are usually justified in terms of individual mobility, freedom, convenience, safety, and so on. But their real function is to promote a particular vision of the future: one in which every society is

dependent on a single, high-tech, energy-intensive, consumerist economy, and in which a relative handful of large corporations produce and market everyone's needs. By their infrastructure choices, governments are helping to make that vision a reality. Diverse, small scale economic alternatives may be more equitable, democratic, job-producing, and sustainable, but governments do not fund infrastructures appropriate to those economies. This bias toward the largest businesses and those operating on a global scale is a major reason the small and local are consistently on the decline.

Today, infrastructure investments are funnelled into a number of key areas:

Transport

Large-scale, long-distance transport infrastructures — including freeways, high-speed rail, airports and shipping terminals — are prerequisites for a globalized economy heavily dependent on trade. Thus, though the United States has the most advanced and extensive transport infrastructure in the world, hundreds of billions more are being spent each year on further expansion. This is because "improving access to markets worldwide... will provide the foundation for American businesses to flourish in the 21st Century," according to Clinton-era Transportation Secretary Rodney Slater. By "American businesses", you can be sure Slater had companies like Archer Daniels Midland, Wal-Mart, and General Motors in mind, not small farms, corner shops, and local artisans. Long-distance, high speed transport infrastructures do little to meet the needs of

participants in diverse, localized economies; instead they undermine those economies and the communities that depend on them by enabling goods to flood into local markets at artificially low prices. It is only because of such subsidies, for example, that butter transported all the way from New Zealand can be 'cheaper' than local butter in Vermont, home to hundreds of struggling dairy farmers.

Communications

Unlike producers and sellers in local markets, transnational corporations require extensive communications networks to monitor and coordinate their global enterprises, and to facilitate rapid flows of capital into and out of distant markets. These networks serve global corporations in another way as well. While their output is generally portrayed as furthering the 'free flow of information', that flow is decidedly one-way: world-wide communication facilities make it possible to transmit the worldview of consumerism — via movies, television programming, and direct advertising — thereby helping to homogenize diverse populations into masses of similar consumers with similar desires. When television programs like Dallas and Baywatch are broadcast throughout the South, for example, people's distorted impression of modern urban life — fast, glamourous, exciting, wealthy beyond measure — leaves them vulnerable to the empty promises of western-style 'development', and hungry for the consumer products that seem to define modern life. "Once television is there", the CEO of a large American TNC pointed out, "people of whatever shade, culture, or origin want roughly the same things."[9]

Energy

Large-scale, centralized energy installations — nuclear power plants, huge hydroelectric dams, fossil fuel facilities, and similar projects — are a necessity in a global economy dependent on growth, consumption, and the long-distance transport of virtually every commodity. The growth imperative impels even the North to constantly expand its already massive power infrastructure, but most of the new construction is in the South, where an estimated trillion dollars worth of large scale plants will be needed to fully integrate those countries into the global economy.[10] Meanwhile, dispersed and locally available energy sources such as solar, wind, and small-scale hydro — all of which are well-suited to small and localized economies — are effectively ignored.

Education

Portrayed as an unequivocal good, modern educational infrastructures are heavily funded in almost every country. Unfortunately the knowledge dispensed in such schools leaves children largely unprepared to participate in an economy based on their own environment, resources, and cultural history. Instead, schools mold children everywhere for future roles in the global economy: as high-tech workers, as corporate managers or paper-pushers, as telemarketers or dispensers of fast food, and of course as consumers. In industrialized countries, this form of education begins

long before children ever set foot in a school: parents in the United States, for instance, are putting their children in front of computers and 'educational' television programs by the age of one, or even younger. The consequence is predictable: most American children are unable to identify more than a few local plant species, but "even two-year-olds are concerned about their brand of clothes, and by the age of six are full-out consumers", according to a specialist in marketing to children.[11] This is a kind of education that meets the long-term needs of huge global corporations, but deprives people of the means to tailor their economies to their own local circumstances.

Research

Research infrastructures provide industry with technological innovations to raise productivity, to keep levels of consumption growing, and to draw ever more resources from the planet. 'Techno-fix' solutions to the problems caused by the industrial system are also sought, thus masking the long-term unsustainability of the entire model. Studies have shown that most of the research needed by large-scale producers and marketers is done at public expense. While such research is "a fundamental pillar of industrial advance"[12], almost no research is done that would provide people with the means to use local resources within diverse, more localized, and smaller scale economies.

There can be no better example of the thrust of publically-funded research than the 'Terminator' technology, a bioengineered trait which renders seeds infertile in the second generation. Perfectly

suited to the needs of agricultural biotech corporations, the technology could prove disastrous to the millions of small farmers who have always saved seeds from one year's harvest for planting the next. This technology was jointly developed by a large seed company and the US Department of Agriculture, and is now in the hands of the Monsanto Corporation.[13]

Weaponry

A military infrastructure is needed to keep the less stable elements of the global architecture in place, and to guarantee access to the natural resources on which the model depends. Even ardent globalization proponent Thomas L. Friedman agrees: "The hidden hand of the market will never work without a hidden fist — McDonald's cannot flourish without McDonnell Douglas, the builder of the F15 [Stealth Bomber]. And the hidden fist that keeps the world safe for Silicon Valley's technologies is called the United States Army, Air Force, Navy and Marine Corps."[14]

'Keeping the world safe' for global corporations does not come cheap: just ensuring the steady supply of oil — a prerequisite for long-distance transport — is estimated to cost US taxpayers $57 billion annually. For the targets of military power worldwide, obviously, the costs of globalization are much higher.

Regulations

A further form of systemic bias towards the large and global comes in the guise of regulations that purport to protect the environment and public health. As well-intentioned as these regulatory regimes may be, they have largely failed in their mission. In part this is because of the 'revolving door', which riddles regulatory bodies with past and future employees of the industries they are supposed to regulate.[15]

Another reason is that in their attempts to regulate industry, governments are like dogs chasing their own tails: on the one hand they are vigorously encouraging industry to develop new products and processes, on the other they are frantically attempting to limit the resulting harm. Even if they were not watered down during the intense lobbying efforts of regulated industries, regulations simply cannot keep up with the current pace of technological change. Each year, for example, 1,000 new chemicals enter commercial markets in the United States; meanwhile the National Toxicology Program, the agency responsible for assuring the safety of these chemicals, can only manage to conduct testing on 25 of them annually.[16]

Though Big Business generally does the most complaining about 'red tape', many regulations would be unneeded were it not for the scope and scale at which large corporations now operate. A study by the US Centers for Disease Control, for instance, points out that large outbreaks of food-borne disease are more likely today because of the trend toward fewer, bigger food production facilities and longer distance distribution.[17] Since the scaling up of the food production system is itself never questioned, the response is tighter regulation and still more technology — at greater cost to the public. Thus,

outbreaks of salmonella and E. coli poisoning in the meat industry have provided the rationale for approving nuclear irradiation as a sterilizing process. This technology itself has the potential for serious accidents, and will require further layers of publically-funded regulation.

If the need for regulation is largely a consequence of large scale industrial processes, it is small producers that ultimately bear the heaviest regulatory burden. Health problems from small-scale food production for local consumption are relatively few and far between. But regulations needed because of large-scale production and long-distance marketing are applied to small producers of every kind. The EC directive demanding that cheese producers install tile floors and stainless steel kitchens, for example, is putting small farm-based cheese makers out of business; similar rules in the US nearly put an end to the selling of traditional cured hams in southern states, while rules favoring pasteurized apple cider will likely spell the demise of hundreds of small-scale cider makers in the northeast. As usual, the markets of these small, local producers will be taken over by larger, more highly capitalized producers that can more easily absorb the costs of satisfying the regulations.

Another benefit of regulations to large producers comes with the stamp of approval regulatory agencies give to industrial processes and products. However flawed the approval process, it nonetheless serves to calm the public's understandably jittery nerves about the pace of technological change. One reason that the American public has been relatively muted in its opposition to bioengineered food, for example, is that people mistakenly believe their health and the

safety of the environment are adequately protected by agencies like the FDA and the EPA. In this sense, the semblance of regulatory oversight has been highly beneficial for the biotech industry, much as it has for the chemical industry, the pesticide industry, and many others. The multi-billion dollar budgets of regulatory agencies are, in fact, most accurately interpreted as yet another subsidy given to large scale producers.

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The advance of the large and global is responsible for many of the social and environmental crises that now beset the planet. Reversing that advance and bringing about a resurgence of the small and local will require efforts on many fronts. An important first step is to acknowledge that the growth of the global economy and the corporations that dominate it are not the product of evolution, nor are they the consequence of truly free choice among the populations affected. Instead they are the result of many years of direct and hidden subsidies, public expenditures on infrastructures tailored to corporate growth, and government policies — from health and safety regulations to the rules of international trade — that are heavily biased towards the needs of the largest enterprises. Since all of these can be reversed, a shift in direction toward diversity, smaller scale, and sustainability is within our reach.

For further information about the issues this article raises, please contact ISEC.

ISEC
Foxhole, Dartington, Devon TQ9 6EB, UK
tel: 01803 868650
fax: 01803 868651
email: isecuk@gn.apc.org

or

ISEC
PO Box 9475, Berkeley, CA 94709, USA
tel: 510-548-4915
fax: 510-549-4916
email: isecca@igc.org

Website: www.isec.org.uk

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