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Jubilee-Zambia participates in the World Social Forum

Introduction

The third week of January was marked by two significant world events which took place simultaneously in two different places, Porto Alegre in Brazil, and Davos in Switzerland.

The Porto Alegre meeting called the World Social Forum (WSF) was the third since its inception in 2001 while the Davos meeting, the World Economic Forum (WEF), was the thirty-third gathering. These were important and unique meetings in their own rights as they had similar agendas but viewed from two diametrically opposite points—one emphasising the social concerns of development while the other was purely economic in nature. Jubilee-Zambia Policy Analyst was recently in Brazil where he actively participated in the meetings and now brings us this report.

What is the World Social Forum?

The Porto Alegre forum going by the theme: *“Another World Is Possible”* brought together tens of thousands of Non Governmental Organisations (NGOs), trade unions, academics, human rights activists, environmentalists, among many others to try to build a world centred on human development rather than the rule of money and market forces! Issues tackled included Third world crippling external debts, environmental pollution and degradation, combating global militarisation and promoting peace, and enhancing social and economic rights. The WSF is strengthened in its resolve to tackle world social, economic, political and environmental problems by its ethical principles set out in its Charter—the only parameter for the new way of thinking which rejects the principles of the market as the foundation of society, denounces violence as a form of political action, and says no to a single way of thinking and yes to equality and diversity. That is essentially what the WSF is all about—a venue and platform for meetings and encounters, mutual recognition and intellectual learning in the spirit of respect for each other’s views and differences.

The WSF strongly opposes the neo-liberal model of economic development and contends that there must be a new orientation to economics in order to address human rights—basically the social rights that the market fails to recognise and protect in its dealings. The forum was against the neo-liberal policies of profit before people that seem to underpin the current globalisation process. It is often said that the market is a good servant but a bad master and hence the need to regulate it! As one delegate from Italy, Andre Riccardi, put it “no one today can claim to have the blueprint for the future—whether it be the International Monetary Fund (IMF) or governments. People truly feel the need to think, share views and develop new options” for global justice. Inequalities within societies are now a common norm and more blatant: the gap between Africa and Europe is becoming wider and wider by day.

External Debt Problems

The net transfer of financial resources to developing countries has been negative each and every year since 1997, according to Kofi Annan, Secretary General of the United Nations, reported to the General Assembly in 2002. “In other words, money is being taken from the poor to give the rich,” says the new Social Watch 2003 Report presented in Porto Alegre on 23rd January 2003. The net

transfer of money is the final result of many factors. Foreign aid, for example, is a positive transfer from developed countries to the poorer nations, but debt repayment is a negative one. In fact aid flows to developing countries have been decreasing in recent years while there has been a corresponding increase in debt repayments from the poor countries to the rich creditors of the north. The promise of debt cancellation made by the leaders of the seven most powerful and industrialised countries in the world (who also happen to be the biggest creditors) is being implemented too sluggishly and in little dosages for its effects to be felt. The G-7 as they are sometimes called in official parlance are yet to fulfil their pledge of 0.7% of their Gross Domestic Products (GDP) made nearly thirty years ago as official aid to poor and developing countries. Jubilee-Zambia therefore joined other civil society organisations and campaign movements in calling upon creditors to consider granting debtor countries full debt cancellation as a basis for economic recovery.

Foreign direct investment (FDI) is a positive and welcome transfer of resources when multinational corporations bring in capital to start operations in a country like Zambia, but it weighs negatively in the final account if profits are not reinvested in the country but taken out through uncontrolled remittances. This ugly scenario contributes to the instability in domestic economies of developing countries which later affects investment decisions adversely.

The World Economic Forum

The Davos meeting or the World Economic Forum on the other hand, and going by the theme “building trust”, saw various heads of state, economists and business people coming together to address global perennial economic problems. The agenda had several issues to look at namely economic growth and recessions, trade and investments, etc but the catch phrase was: globalisation. Globalisation in this context should be seen as a double-edged sword. Personally I look at globalisation as more than just a simple process of trade liberalisation, increase in exports and significant tariff reductions. It is a process that requires clear-cut thinking with well-designed fiscal and monetary policies in a stable macro and micro economic environment. These policies should then be augmented by a deliberate effort to strengthen social investments in the health and education sectors. For instance, we can take advantage of globalisation with sound national strategies designed to increase the well-being of our people or we can fold our arms and do nothing and allow globalisation to take advantage of us. The question to ask is: does Africa later on Zambia have the capacity to engage meaningfully in a global economic process when their economies are almost entirely externally driven?

The world is earning more and more dollars each year, so there is certainly enough wealth to meet everyone’s needs. But how much of this world income is in Africa’s hands? So why not talk about globalising wealth distribution instead of distributing poverty through inappropriate economic policies? Can such a world arise from the Davos deliberations? Critics of the WEF see it as a part of undemocratic gatherings for corporate leaders and government officials who unilaterally chart out economic direction for the global economy but with very little positive impacts on the global poor.

Current Global Climate

This year's events took place against a backdrop of a possible US led war on Iraq, a stagnant world economy and increasing poverty and HIV/AIDS levels, and serious famine across the globe but especially in the Sub-Saharan Africa (SSA). We are now living in a world of many wrongs-a world where injustice is deeply entrenched, and one where economic and political systems work for the already rich and powerful. The word globalisation has gained popularity and is fast spreading like bushfire! More and more people are calling for the globalisation of our human values-solidarity for common goals of social and economic justice, democracy and human rights but are these ideals attainable in a world that is threatened with imminent war?

World Opinion Poll Launched

The above views were further buttressed by a "Global Opinion Poll" which was launched on 23rd January 2003 during the official opening of the WSF. The poll confirmed conference participants in their belief that the world's population wanted the global development initiatives to focus on social goals rather than just economic growth only. While economic growth was seen as necessary for development, it was however not sufficient in itself unless accompanied by a set of conditions that protects people from the adverse effects of macroeconomic reforms. These should further be galvanised by a social responsibility by governments to guarantee fundamental and basic human rights such as access to safe and clean water, access to food, and access to quality but affordable education for every child among others.

The poll further revealed that the majority believed that globalisation made the rich richer and the poor poorer; that it was driven primarily by the interests of multinational conglomerates; that global society should focus on social goals first rather economic growth and that the majority of people believed their fate was decided by external forces beyond their control. The survey was conducted in 20 countries between November and December 2002. Civil society strongly challenges the proponents of globalisation to take a closer look at Africa as this continent is the most conspicuous example of many past economic policy failures.

Another World is Possible

The WSF should be seen as an initiative designed to counter neo-liberal globalisation which has engulfed the world and bring about a globalisation based on human solidarity, democracy and sustainability. For instance, this world has the potential to produce enough food for everyone and hence eradicate extreme hunger, it has the capacity to create employment for everyone and thus eliminate extreme forms of poverty but economic decisions made a by few powerful individuals and corporate firms stop this from happening. Whether this is a dream in utopia or not, only time will tell but for now people have decided that "another world is possible".