

The Race to the Bottom-Globalization or Brand Imperialism?

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Abstract

Current movements in globalization have suggested that far from certain nation states proving hegemonic, the power shift is now towards that of the transnational corporations, what Robert Cox refers to as a transnational capitalist class (Cox, 1983). Guiding principles of these transnationals such as being answerable only to their stockholders have also proved significant to influencing the working trends of the late twentieth century and the early twenty first century. The advent of the Brand's strategy that marketing can be left to the First World while labour can safely be consigned to the South has meant increased profitability, political clout, world order influence and a workforce both in the global North and global South highly susceptible to the Gramscian theories of coercion and consent.

Introduction

We found very little correlation between turnover and profitability... For instance, insurance as you know, is very costly. Insurance is not available to new employees until they've worked there for a period of a year or so, in some cases, six months. Vacations don't accrue until the second year. There are some economies, frankly, that result from hiring new employees.

Arden Walker, Head of labor relations at IBP quoted in a federal hearing in the 1980s. (Schlosser, 2001:161)

Today, the United States, for the first time in its history, has begun to rely on a migrant industrial workforce (Schlosser, 2001:161).

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Ritsumeikan Annual Review of International Studies, 2003. ISSN 1347-8214. Vol.2, pp. 59-73

These two quotes taken from Eric Schlosser's delineation of the food industry in the United States, *Fast Food Nation* clearly illustrate the trend of what is called the 'race to the bottom'. In countries such as Britain the neo-liberal reform policies of Thatcherism in the eighties introduced slashing privatization, deregulation and monetarism leading to job redundancies and the advent of the 'McJob' - minimum-wage policies and a very unstable job market. These have direct bearing on the Gramscian theories of hegemonic coercion and consent, which are now being indirectly utilized by the top economic entities in the north. Where once the idea of an economic entity would have been interpreted as a nation state, with the advent of globalization it could be argued that transnational corporations (TNCs) have superceded this; what Gill calls 'transnational hegemony' stemming from recessions during the seventies and eighties and subsequently a 'remarkable degree of interdependence between the economic, ideological and military aspects of global restructuring in the late 1970s and early 1980s' (Gill, 2003:88).

Consent, Gramsci propounded 'is created and recreated by the hegemony of the ruling stratum of in society. It is this hegemony that allows the moral, political, and cultural values of the dominant group to become widely dispersed throughout society and to be accepted by subordinate groups and classes as their own.' (Hobden & Wyn Jones, 2001:210). Hobden and Wyn Jones comment that Robert Cox, who has further developed Gramsci's ideas, maintains that 'successive dominant powers in the international system have shaped a world order that suits their interests, and have done so not only as a result of their coercive capabilities, but also because they have managed to generate broad consent for that order even among those who are disadvantaged by it' (Hobden & Wyn Jones, 2001:212). However in the process of transformation Cox contrasts 'problem solving theory' which accepts the present order with 'critical theory', which 'attempts to challenge the prevailing order by seeking out, analysing and, where possible, assisting social processes that can potentially lead to emancipatory change' (Hobden & Wyn Jones, 2001:212). Certainly protests in Seattle, Washington and Genoa in recent years against the prevailing hegemonic ruling idea of 'free trade', subsequently appropriated by the TNCs, have borne Cox out.

For the transnational corporations manufacturing no longer seems a profitable option in developed nations. Where once product was produced, these days the Brand Image has become all encompassing. Oil companies like Shell and BP, in answer to accusations of ecological damage have reinvented themselves as

'caring sharing world huggers' through relentless 'image marketing' and projecting their concern for the world in media such as newsprint and terrestrial and satellite tv.

Marketing the company image is everything. Intensive marketing in the north develops this image while labor is relegated to the south. Where once skilled manual labor was favoured in the north, new technology is able to circumvent this by simplifying the work and negating the necessity for training workers. 'Make the equipment intuitive, make it so that the job is easier to do right than to do wrong,' says Jerry Sus, the leading equipment engineer systems engineer at McDonald's. 'The easier it is for him (the worker) to use, the easier it is for us not to have to train him' (Schlosser, 2001:71). This feeling is certainly echoed in many companies concerned with maximizing their profits and preventing unnecessary overheads like costly training of the workforce. 'Whereas industrial workers who make or move things had accounted for two-fifths of the American workforce in the 1950s, they accounted for less than one fifth in the early 1990s... union power has been declining just as fast' (Drucker, 1994:56).

Industries such as the food industry, the information technology industry and the financial industry have been affected by the 'new belief' of the TNCs in the first world—that a workforce is no longer a priority. Or to rephrase that—a workforce is no longer financially viable. In Europe and the US profitable TNCs have found that fixed assets such as health insurance, pension payments and annual salary raises are extremely costly outlays and can be easily replaced by outsourcing work to other companies employing contract labour directly or utilizing migrant labour.

In the information technology industry, the Microsoft Corporation has a two tier system of full-time workers with 'benefits and generous stock options, working and playing on the youthful corporate 'campus'... and orbiting around this starry eyed core are between 4,000 and 5,750 temporary workers' (Klein, 2000:250).

In order to circumnavigate the Internal Revenue Service's claim that Microsoft was employing independent contractors who were in fact full time workers, Microsoft now requires these 'temporary workers' to register with agencies that do business with Microsoft. The agencies farm these workers out to Microsoft after first taking their commission. In this way Microsoft enjoys a skilled workforce while having none of the responsibility of 'fixed assets' with these workers. As will be shown later in far more ominous terms, this practice is by no means limited to the North.

Microsoft can probably be viewed as a gleaming 'Brave new world' of cutting edge technology but Microsoft CEO Bill Gates for all his hi-tech hubris still has a link to the humble hamburger and the not so humble hamburger companies like the McDonald's Corporation and Burger King. After all it was these companies that perfected the idea of the worker as expendable—the 'McJob' with its minimum wage and career cul-de sac. 'The strict regimentation at fast food restaurants creates standardized products. It increases the throughput. And it gives fast food companies an enormous amount of power over their employees' (Schlosser, 2001:70). And power is at the root of globalization.

Globalization is very much the bright new buzzword of the moment but of course this concept has strong links to the past. Smith and Baylis define globalization as 'the process of increasing interconnectedness between societies such that events in one part of the world more and more have effects on peoples and societies far away' (Baylis & Smith, 2001:7) which could equally define the early Empires of Greece and Rome because globalization for all its talk of 'one world openness' where everyone enjoys Starbucks Coffee and wears Benetton is still controlled by powerful elites just like the empires of old. These ancient empires also enjoyed a form of global interconnectedness together with those of the later empires such as the British Empire. Empire rule depended on martial power. The British as primary hegemonic power in the nineteenth century, for example, favoured 'gunboat diplomacy' during the Opium Wars against China, which guaranteed free trade policies and established imperial power.

These days, superceding nations and armies, the company and specifically the Brand, have attained autonomy and governments are listening intently. Hertz quotes Hans Tietmeyer, the former president of the German Bundesbank as saying 'Politicians have to understand that they are now under the control of the financial markets and not, any longer, of national debates' (Hertz, 2001:67). As Hall and others state, 'Corporate Globalization is the real name of the Game' (Hall, 2001:63). These organizations wield immense power, both politically and economically and are able to influence policy 'precisely because those governments either believe in or find it convenient to profess belief in the tenets of free trade' (Hall, 2001:63). Klein also comments, 'the astronomical growth in the wealth and cultural influence of multi-national corporations over the last fifteen years can arguably be traced back to a single, seemingly innocuous idea developed by management theorists in the mid-1980s: that successful corporations must primarily produce brands, as opposed to products' (Klein, 2000:3)

A Branded Philosophy

Klein, author of 'No Logo' has documented this corporate shift from manufacturing and production to an emphasis on the image and more specifically The Brand. Microsoft, McDonald's, Nike and Gap feature strongly in case studies documented by Klein. These companies through the massive figures they have spent on marketing were able to shift the focus of their business from manufacturing to image. 'This radical shift in corporate philosophy has sent manufactures on a cultural feeding frenzy as they seize on every corner of unmarketed landscape in search of the oxygen needed to inflate their brands' (Klein, 2000: 8).

This nearly wasn't so. Brands suffered a severe setback on what is now known as 'Marlboro Friday'. On April 2, 1993, the tobacco giant Philip Morris took the step of cutting its prices by 20 percent as a way of competing with cut-price cigarette competition. This was seen as a huge blow to the corporate world. Marlboro had always been perceived as seen as a quality name, a prestige brand, 'whose image had been carefully groomed, preened and enhanced by more than a billion advertising dollars' (Klein, 2000:12). Stock prices crashed on other giants like Coca-Cola, Pepsi, Heinz and Quaker Oats. The backlash from Marlboro Friday sent reverberations through the advertising industry. If a cash cow like Phillip Morris could find its name so undervalued then what were the implications for other prestige brands and the marketing industry?

However as Klein points out this was merely the drawing of a line between the bargain basement stores of Wal-Mart and K-Mart in the States and the image brands such as Apple, Disney, Starbucks and Levis that have always relied on heavy marketing strategies. These brands emerged from the nineties recession in strong shape, and for these companies 'the ostensible product was mere filler for the real production: the brand. They integrated the idea of branding into the very fabric of their companies' (Klein, 2000:16).

Advertising companies have been very quick to capitalize on the branded worldview. The 1998 United Nations Human Development Report stated 'the growth in global ad spending now outpaces the growth of the world economy by one-third' (Klein, 2000:16). In a world where one fifth of the world's poor live in extreme poverty, one third of the world's children are undernourished, 30,000 children die every day from easily preventable diseases and where the combined wealth of the world's 200 richest people reached \$US 1 trillion in 1999, and the combined income of 582 million people living in the 43 least developed countries

was just \$US 146 billion, these global ad figures make sober reading. (Sources taken from WHO, World Bank, UN, and Jubilee 2000). But as Klein says in a particularly damning critique, 'The Third World has always existed for the comfort of the First' (Klein, 2000: xviii).

The Corporate World and the Third World.

Examine the label of any clothing item such as a shirt or pair of chinos from an 'attitude' shop and slowly a map of the South will begin to emerge. Thailand, the Philippines, Sri Lanka, Honduras, the list goes on. Once the brands started focusing on marketing their image in expensive tv commercials, magazines and on sports bodies like Tiger Woods and Michael Jordan they were able to leave the menial tasks of manufacturing the products to contractors and sub contractors in the South. In the countries that house the giant Export Processing Zones (EPZs) scattered around the South where most of the brands contract out their orders, 'labor is dirt cheap, laws are lax and tax breaks come by the bushel' (Klein, 2000:22).

The ILO estimates that there are 850 Export Processing Zones in the world. These zones were originally endorsed in a resolution adopted by the United Nations Economic and Social Council in 1964 as 'a means of promoting trade with developing nations.' The idea didn't really get off the ground, however until the early eighties, when India introduced a five year tax break for companies manufacturing in its low-wage zones. However in recent years places like these zones and numerous other factories in the South, have come under media investigation in the west. Accusations of using child labour in countries like India and Pakistan, where a photograph showed a young boy stitching a Nike football have seriously put these brands on the public relations defensive. The work of the eleven year old Canadian Craig Keilburger in tackling child labor has also received a high profile on television programmes like CBS's 60 Minutes in the United States as well as embarrassing Canadian Prime Minister Chretien.

Not just the emotive issue of child labour has come under scrutiny. Numerous investigations by NGOs, internet sites that monitor corporations, and journalists, among them John Pilger in Indonesia and Naomi Klein in Cavite in the Philippines, have exposed shocking working conditions and human rights abuses in the EPZs. Here, products such as Nike trainers, as well as the Gap chinos and T-shirts so beloved of people wishing to buy into a marketing-imagined world of 'gender-free cool' are produced.

Criticism of working conditions and human rights abuses in these EPZs has led to companies like The Gap publishing so called 'Codes of Vendor conduct'. During a two-week period in September 1996, U.S. Department of Labor Officials traveled to six countries—the Dominican Republic, El Salvador, Guatemala, Honduras, India and the Philippines to study such codes of conduct and published a report, *The Apparel Industry and Codes of Conduct: A Solution to the International Child Labor Problem?* (U.S. Department of Labor, Bureau of International Labor Affairs, 1996).

In the Philippines 18 factories were visited, including V.T. Fashion, which is a Taiwanese invested garment factory located in the Cavite Export Processing Zone in Rosario. 'The company produced skirts, jackets, dresses, short pants, vests, and blouses for The Gap, Guess, Jones New York, Eddie Bauer, May Co, Macy, Liz Claiborne, Ellen Tracy, Head, Benetton, Ruff Hewn, LeQ, Chachi, Ralph Lauren, and Banana Republic. Some of these companies have codes of conduct or codes of practice (no doubt due to media focus) and recently signed the Clinton Task Force NO SWEAT agreement in Washington' (Gerard Greenfield *Asia Monitor Resource Center* September 22, 1997).

However Greenfield notes that because the Labor officials were concerned primarily with child labor they failed to notice the conditions of adult workers particularly in the case of Carmelita Alonzo, a mother of five who died on March 8, 1997, International Women's Day, at the Andres Bonifacio Memorial Hospital in Cavite, the Philippines, after a period of 11 days in hospital. A statement released by her co-workers at V.T. Fashion, recounted 'Carmelita was killed by her 14 hour workday every day plus overtime of eight hours every Sunday' (Philippine News Features, March 19, 1997).

Greenfield further remarks, 'until V.T. Fashion burned down in a fire on April 1, 1997, there are 1046 workers, 90% are women workers aged between 17-30. Workers received only 155 pesos (US\$5.96) as the daily minimum wage and are subjected to overtime. This wage is not enough to meet the living costs of workers and rising prices. Workers were made to work from 7 am to 9 pm during weekdays, 7 am to 7 pm on Saturdays and 6 am to 2 pm on Sundays. Rest periods were usually an hour during lunchtime and 30 minute in the afternoon. Less than half of the workers were regular workers. Most were employed on 3 to 4 month 'apprenticeship' contracts or as contractual workers with employment contracts of only 5 months. Others were employed on 6 month contracts.'

The U.S. Labor Department report stated, 'The Gap requires that its code, which has been translated into 39 languages, be posted in each contractor

facility.’ Yet Greenfield writes ‘when representatives of the Gap, including the manager for vendor compliance based in Hong Kong, Geoffrey Hantover, met with workers’ representatives in Cavite in May, they said that the Gap’s Code of Conduct was only translated into a Filipino version on April 21, 1997: 44 days after Carmelita’s death.’

The Gap then stated that since V.T. Fashion produced ‘very little for Gap’, Gap would not take any responsibility at all for the conditions, which led to Carmelita’s death. Greenfield concludes, ‘here lies the real Gap: between the empty rhetoric of codes of conduct and NO SWEAT agreements, and the brutal working conditions under which workers are exploited’ (<http://www.corpwatch.org/issues>).

As a further example Cai Chongguo from *China Labour Bulletin*, working as an independent journalist, reported in 1999, ‘The Special Economic Zones were presented as China’s ‘window to the world’. But the reality is sweatshops, over-exploitation, and untold misery. Peasants are forced to migrate to the zones and the cities, where they are plunged into conditions of indescribable squalor. Many of you know about some of the fires in the sweatshops. Hundreds of women were killed unable to escape for lack of safety codes and regulations. These are abominable conditions of exploitation foisted on us by the multinational corporations through their ‘free trade’ agreements’ (Shooter, 2000:227).

Helen Shooter here documents the deal between China and the US that paved the way for China’s entry into the World Trade Organization (WTO), signed on 15th November 1999. Successful lobbying by Boeing and Motorola to the US government had paid off. A good example of how discrete corporate lobby groups like the European Round Table of Industrialists (ERT), comprising CEOs from 47 of the largest European Transnational Corporations, are able to influence international trade negotiations. It is not for nothing that Susan George notes that we live ‘in an era of corporate-led, corporate-driven globalization’ (George, 2000:14), where these days politicians very much kowtow to their corporate masters and where the picture becomes increasingly blurred.

Politicians are of course as susceptible as anyone else to the offer of ‘sweeteners’ by corporate lobbyists. After all they fuel presidential campaigns leading to what is documented in the western media as successful liberations of countries like Iraq in 2003. Moreover companies like Halliburton, formerly run by US Vice President Cheney and recently awarded a contract without competition in Iraq, have profited greatly from such liberations. The CNN website on Wednesday, May 7, 2003 reported that this contract ‘prompted some lawmakers,

including Rep. Henry Waxman, D-Calif., to question whether the administration's deep ties with Halliburton helped secure the contract — charges the White House has adamantly denied.' However, as in the case of Neil Hamilton the British Conservative MP it can lead to embarrassing investigations by journalists and then resignation. Hamilton, it was alleged, had accepted envelopes of cash, Harrods gift vouchers and a family holiday at the Ritz Hotel in Paris from Harrods boss Mohamed Al Fayed in exchange for asking 'specific parliamentary questions, signing early-day motions and meeting ministers, all on Al Fayed's behalf' (Hertz, 2001:130).

Corporate-Led, Corporate-Driven Globalisation

Not only the fashionable clothing brands of course, but also any transnational corporation is keen to target the South as a lucrative source of exploitation to fuel the consumer frenzy of countries in the global North, what Gill calls the 'subordination of the Third World' (Gill, 2003:161). It is ironic of course that these resources are obtained from the South where consumption is decreasing and basic needs are not being addressed. The South has no means to sustain these resources plundered at rock bottom prices and so the North 'has incurred an ecological debt to those countries' (Hall, 2001:58). Furthermore, these impoverished countries are forced to export more and more in order to pay off their heavy financial debts with no regress, as according to Susan George, 'the international economic and financial system is dominated by (these) industrial and financial transnational corporations whose simple if unwritten programme is based on a trinity of freedoms—freedom of investment, freedom of capital flows and freedom of trade in all goods and all services including living organisms and intellectual property' (George, 2001:11).

George estimates that the 60,000 or so TNCs counted by the UN only employ about ten per cent of the world's available workforce and yet 'the top 200 firms are responsible for about a quarter of all the measured economic activity in the world—or gross world product' (George, 2001:12). Moreover, of the top 100 economic entities in the world 51 are corporations while only 49 are states. As George notes, General Electric and General Motors are now larger economic entities than Saudi Arabia or Poland.

Companies such as these answer only to their shareholders and measure their success in profit rates and shareholder value. To cut costs in overheads massive layoffs are usually the order of the day. 'Companies are changing

executives like baseball managers, says John Challenger, executive vice president of the outplacement firm Challenger, Gray & Christmas. The replacement will typically arrive like a Swat team and sweep out the old and restaff with his or her own people' (Klein, 2000:255).

Furthermore, these companies 'invest much less in genuine economic activity than most people believe. During the past five years more than three quarters of what the press and the UN label as 'foreign direct investment' was actually cross-border mergers and acquisitions. The TNCs are constantly in search of greater market shares, which they can obtain more easily by buying up other companies than by creating new ones' (George, 2001:13).

These companies are usually above the law in their business dealings even if the environment is damaged or abuses of human rights are performed. Cases in point are Union Carbide's annihilation of Bhopal's population in India, Shell's destruction of the indigenous Ogoni people's land in Nigeria, culminating in the death of poet Ken Saro-Wiwa and the French oil giant Total-Fina's oil spill on the Breton coast in France.

TNCs and the Law

Litigation is a slow and costly process of course and these TNCs are well aware of this. It is hardly likely that the survivors of Bhopal will win their case against Union Carbide now merged with Dow Chemicals and divested of its Indian stock in order to wriggle free of the criminal case. Moreover the Protection and Indemnity (P&I) Clubs operating out of tax havens like Bermuda that represent ship movements are able to tie up matters in courts of arbitration for years. Courts such as these rely on evidence compiled by expert witnesses, a notoriously long process, and judgment could be handed down long after a few thousand seabirds have ceased to be or a few dozen fishermen have lost their livelihood. In the case of Ken Saro-Wiwa of course an international law court finding would hardly be likely to bring back the life of a man hung by the Nigerian military government in November 1995.

Sometimes however the TNCs do find themselves in embarrassing, compromising positions. In a misjudged attempt to silence free speech against a 'defenseless' multinational, the notoriously litigious hamburger giant McDonald's found itself publicly humiliated in 1997. In the 313 day 'McLibel' trial in Britain, incidentally one of the longest trials in British history, McDonald's was forced to endure a bruising investigation into its business practices by an unemployed

postal worker, Dave Morris and a gardener Helen Steel. Steel and Morris, as part of London Greenpeace, had been sued for libel by McDonald's after they had handed out leaflets outside McDonald's restaurants in London entitled 'What's Wrong with McDonald's?'

This leaflet had focused on criticizing the hamburger giant. It highlighted poor nutrition standards, animal cruelty, child exploitation, environmental damage due to rainforest depletion, third world poverty resulting from McDonald's buying land from privileged elites and evicting peasant farmers, stopping the formation of unions and driving down the minimum wage for its workers.

McDonald's seriously miscalculated that everything in the leaflet was libelous. Self-taught lawyers Steel and Morris were able to put McDonald's on trial resulting in a P.R disaster for the company. The Manchester Guardian newspaper's editorial after the final ruling stated, 'Not since Pyrrus has a victor emerged so bedraggled. As P.R. fiascos go, this action takes the prize for ill-judged and disproportionate response to public criticism' (Guardian, 20th June 1997, 22).

Even though Judge Roger Bell on 19th June 1997 had ruled in favour of McDonald's on points such as Steel and Morris had not proved the allegations against McDonald's 'on rainforest destruction, packaging, food poisoning, starvation in the Third World, heart disease and cancer and bad working conditions, the defendants had still shown that McDonald's 'exploit children' with their advertising, falsely advertise their food as nutritious, risk the health of their long-term customers, are 'culpably responsible' for cruelty to animals reared for their products, are 'strongly antipathetic to unions and pay their workers low wages' (<http://www.mcspotlight.org>)

The Race to the Bottom

As has been seen the TNCS enjoy unlimited movement of activities due to the doctrines of *Neo Liberalism* or the *Washington Consensus*. Governments in the west promote free trade as a win-win situation. The idea is that countries should produce what they are best at and then trade between open borders (the comparative advantage theory) 'this will generate wealth which will 'trickle down' to the rest of the population, who will in turn have more money to spend and go out shopping. Demand will go up and companies will make more money. A neat and virtuous circle that benefits everybody' (Hall, 2001:62). But this has been found to be not the case. Brian McWilliams, President of the Longshoreman's

Union in a speech at Seattle in 1999 observed that what the agents of global capitalism imagine is a 'race to the bottom...to erase (workers) protection and freedom in an international corporate feeding frenzy' (O'Brien, 2001:68)

Hall argues that comparative advantage theory was developed during the time when capital was secured in domestic economies. These days with new technology and open borders, capital can be moved around the world at the click of a mouse. Unfortunately, countries that do not enjoy stable economies, good infrastructure or low costs are unable to attract mobile investment capital. Even if they do, TNCs display what Susan George calls 'herding behaviour' (George, 2001:13) which means at the sign of any trouble such as local unrest TNCs would discharge their interests immediately and move on.

Hall further contends that by measuring global economic growth as GDP is unsound. GDP does not measure social welfare or development but reflects people's income. The cost of healthcare, renovation of habitats, and pollution clean-ups is factored in to GDP as a positive contribution to a nation's wealth even if they are the result of a swiftly failing environment. Social roles like the care of children or the elderly and household work, unless they are paid for, are ignored. As Hall says, 'overall GDP can continue to rise even when people's quality of life is deteriorating. This helps to explain the apparent contradiction of rising GDP in many countries and the sharp increase in criticism being leveled at the WTO' (Hall, 2001:63) where the WTO Agreement on Agriculture agreed during the last Uruguay Round of trade agreements, 'has exacerbated this problem, because it unashamedly pits small farms against larger and more efficient agribusinesses in both the North and the South' (Hall, 2001:59).

Clearly the 'trickle down' theory is seriously flawed. It could be argued that the workers in the Cavite EPZ in the Philippines would not agree with this theory. The Formosa plant in El Salvador which produces a number of lines for Nike and Adidas would also not agree, '12 hour days in hot unventilated conditions, backless wooden benches, brutal supervision, constant verbal abuse, Depo-Provera contraceptive injections for women who are told they are getting anti-tetanus jabs' (O'Brien, 2001:71) and workers for Wal-Mart contractors in Bangladesh would not agree either, being paid, according to the US labor Committee, 'a quarter of the Bangladeshi minimum wage (and) expected to work up to an eighty hour week' (Monbiot, 2000:185).

And it is not only in the silenced south either that workers have felt the indifference of the Corporations. Monbiot addressing what he calls 'Economic Cleansing' documents the obliteration of the shop trade workforce in towns in

Britain by the concerted effort of the large supermarket chains. Safeway in 1997 said they would create 8000 new jobs in the following two years. Tesco in 1998, declared it would increase British employment by 10,000, Sainsburys in 1999 a further 10,000 through opening hundreds of 'local stores' and Asda in 2000 claimed it would achieve 27,000 jobs in the next five years.

However as Monbiot points out these claims were soundly refuted by a source uncomfortably close to home. That of one of the supermarket chains' own research organizations, The National Retail Planning Forum financed by Sainsburys and Tesco amongst others. The report stated that 'all the reduction in employment that occurred in the catchment areas is attributable to superstore openings... the ninety three stores the researchers studied were responsible for the net loss of 25,685 employees: every time a large supermarket opened, in other words, 276 people lost their jobs' (Monbiot, 2001:172).

Conclusion

The nation and nationalism provide the only realistic framework for a modern world order (Smith, 1995:159).

Chapter X1, Article 73 of the UN Charter asserted the principle of equal rights and self-determination of peoples. These people are represented in the UN by nation states. However recent events have found the United Nations increasingly powerless and isolated. Events such as those during the lead up to the Iraq War in February and March 2003 undermined UN influence, and as political schisms appear and politicians are increasingly sidelined the 'new world order' (Gill, 2003:xi) is taking hold. There are however no 'equal rights and self-determination of people' here. Nor are nation-states a major factor of political association. 'Corporations will never be subjected to meaningful international rules while the negotiation of global agreements is opaque and undemocratic...what could prompt governments to reverse their policies and confront the very faction of which they are most afraid?' (Monbiot, 2000:356). What indeed? 'Transformative resistance' (Gill, 2003:xi) in Seattle in November 1999, Washington, April 2000 and Genoa, July 2001 have all made their voices heard and these grassroots factions have been widely reported in the world press.

But unfortunately the capricious popular press tends to focus on sporadic violence like that of a few windows smashed at the local McDonald's, which are hardly likely to endear many people to this cause. Especially not people like

Martin Taylor, the former Chief Executive of Britain's Barclays Bank plc, who earned according to Monbiot, nine hundred and seventy six thousand pounds sterling a year, plus seven hundred and sixty two thousand pounds in bonuses with share options worth well over a million pounds.

Barclays reduced its workforce by 21,000 in the ten years leading to 1997. Taylor at the time of Monbiot's writing was Chair of the British Government's Tax and Benefits Taskforce, 'whose remit is to find ways of reducing poverty and welfare dependency. Taylor was also offered the post of Minister for the Welfare State' (Monbiot, 2000:217).

Taylor's future can probably be said to be secure. The 21,000 people that Barclays 'let go' in the ten years to 1997 less so. The one point one billion people 'struggling to survive on \$1 a day' (Oxfam, 2002:2) even less so. Political power has been wrested from the workforce and as Brian McWilliams at Seattle, 1999 succinctly pointed out 'it is the labor of working people that produces all the wealth.' Globalization has not produced a particularly equal world so far for all the rhetoric of its 'one world for everyone'. Indeed it could be said to have further widened the gap between the haves and the have-nots and necessitated a world of upheaval and transformation. Gill notes that 'in the USA, transnational liberalism vies for hegemony with territorial bounded sets of interests, identities and discourses' (Gill, 2003:173). The global world fronted by the likes of Gap and Nike and Starbucks and McDonald's will continue to expand along with the inequality it continues to perpetuate.

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