
The goal of the conference was to provide a broad framework for academic and practical evaluation of globalization, exploring the means by which globalization can strengthen democracy and increase economic prosperity throughout the world. Co-sponsored by the Rockefeller Archive Center and the University of Saskatchewan, participants included scholars, policy-makers and advocates who addressed a wide range of issues – health, labor, economics, human rights, among others – pertaining to globalization.

An edited volume of the proceedings is in preparation. Other portions of the proceedings are presented on this website.

II. Some Definitions and Parameters

a. Effects of Globalization

Some observers define globalization in terms of a wide range of political and economic changes such as increased global trade, direct foreign investment, technological transfer from developed to developing nations, rapid evolution of information technology, and the democratization of political institutions in formerly authoritarian and semi-authoritarian states (e.g., the former Soviet Union and its allies). Others have identified it simply as an expansion of global capitalism by powerful multinational corporations, comparing globalization to the neo-colonization of the industrialized Western countries and their representative agencies such as the World Bank and International Monetary Fund. Most critics agree that globalization necessitates, creates, and effects fundamental political and economic transformations.

In general, proponents of globalization maintain that the end of the Cold War offered, for the first time in recent history, an opportunity to promote democracy throughout the world. They suggest that a majority of nations have become – or are in the process of becoming – fully developed democratic states that allow the freedom of expression and organized political activities enjoyed by civil society. Authoritarian, repressive political regimes are quickly becoming “things of the past.” What follows these political changes is, ideally, economic
liberalization. The global economy today is a market-oriented economy, and the key players of the marketplace are corporations. The regulatory framework that governs the marketplace is drawn and negotiated by international organizations – e.g., the World Bank, World Trade Organization and International Monetary Fund – on behalf of member states. Each nation is expected to comply with these regulations by removing trade restrictions.

Globalization also has given rise to conflicts among civic groups, organized labor, private sector economic organizations and the governmental apparatus of the nation-state, and has the potential to undermine democracy. According to some, the global democracy project, or global “governance,” has substantially weakened the sense of nationhood within a geographical territory by giving rise to “trans-border” ethnic and religious identities, and threatening regional political stability and the territorial integrity of nation-states (end-of-Cold-War events in the former Yugoslavia and the Soviet Union are a case in point). Can the newly created democratic societies survive the resulting internal political unrest?

Since World War II, Western democracies have been known as welfare states, in which citizens depended on the government for a variety of economic and social services. The state’s role in providing for its citizens was considered to be a part of its “obligations” for having a mandate to govern. Thus, an ever-expanding system of welfare programs was set in motion, despite the enormous financial difficulties they incurred. In the process of globalization, however, by allowing market forces to take over services such as health care, education, transportation and communication, which were previously the exclusive responsibilities of the state, governments are systematically reducing welfare activities.

Critics argue that due to globalization, poverty has increased among traditionally weaker social groups such as women, children and indigenous people throughout the world, even in industrialized nations. For example, since the implementation of the North American Free Trade Agreement, the poverty rate in Canada has risen from 11 to 18 percent: by the year 2000, the number of children living in poverty there had reached 1.8 million. During the same period, Canadian spending on social programs, as a percentage of gross domestic product, had dramatically declined. These reductions correspond to declining tax revenues due to changes in various tax structures, such as personal income tax and capital gains tax, in order to facilitate globalization. The political system has not been able to adjust its responsibilities to manage the disruptive effect of globalization in order to inspire public confidence. Is there room to expand current strategies of globalization in order to accommodate the economic and political interests of all citizens?

b. The Roles of Philanthropy and Civil Society

As the above discussion indicates, the political, social and economic implications of globalization will continue to unfold over many years. It is unlikely that the political and economic forces which led to globalization will soon dissipate, if at all; rather, all indications seem to suggest that, increasingly, nations are coming together to form new economic and political alliances. What is important at this juncture is not to be complacent about the perceived success of globalization, but to make a genuine effort to address the concerns of its critics in a constructive manner. In this context, philanthropic organizations could play a critical role in bringing together the key players of this debate to make globalization truly democratic and prosperous for all nations affected.

Civil society is comprised of various civic groups, or non-governmental organizations of
individuals, whose aim is to improve political, economic and social conditions through direct actions or by influencing state policies. It flourishes in democratic and pluralistic societies, where individual citizens join these organizations voluntarily. Civil society exists whenever and wherever voluntary associations attempt and have the opportunity to influence the activities of political and economic institutions. In this context, civil society is defined to include considerably diverse social groups.

Civil society and philanthropy are inseparably interwoven. Both, as a means of social engagement, stem from a sense of individual responsibility and generosity toward fellow citizens. Traditionally, philanthropy and charitable donations have been the main source of financial support for the activities of civil society. Philanthropy has been a unifying force of diverse social and political organizations across boundaries. Given this universal feature, it has the capacity and the means to mediate constructive dialogue among competing groups in globalization. Philanthropic organizations can identify specific target groups that continue to be marginalized in the context of globalization. For example, people with various mental and physical disabilities, seniors with limited resources, homeless people and others, whose living conditions have further deteriorated due to cuts in social programs, need to be looked after. Philanthropic organizations can directly aid these groups through local community organizations, while working with the private sector and governmental organizations to find a long-term solution to the problem.

Further, philanthropic organizations can play a valuable role in globalization by providing essential negotiating skills for representatives of various civic groups. As many of these groups have emerged spontaneously in recent years, they lack professional skills and knowledge on how to conduct serious negotiations on a practical level. Consequently, many of these have not been able to make their presence or concerns known at the negotiating table of major economic and social agreements. Only by substantially expanding the collective representation of the larger society in the new political and economic institutions can we ensure that globalization will strengthen democracy and economic prosperity.

III. Selected Bibliography

Of the enormous literature on globalization, we have selected a few works especially pertinent to the conference. You are also referred to literature citations in the papers on this website, and the Rockefeller Archive Center’s bibliography (http://archive.rockefeller.edu/publications/biblio/scholarship.pdf)

Helmut K. Anheier and Diana Leat, From Charity to Creativity: Philanthropic Foundations in the 21st Century, Perspectives from Britain and Beyond (Near Stroud, UK: Comedia, 2002).


