11/28: Global Politics through global markets?

**Global system of governance through political economy**

- **Decentralized, no legitimate center of political authority**
  - Very indirect political representation, with a major democratic deficit

- **Highly marketized, with many centers of market authority**
  - Direct consumer influence through “votes” via preferences and choices
  - Strong channels of economic pressure through boycotts and shaming of corporations
Political change usually takes place through public action

- Groups and movements in civil society mobilize around issues of concern

- Movement to ban slave trade began among educated British bourgeoisie in late 1700s

- Combination of tactics are used to pressure elites and anger the public

- Graphics of slave ships, anger about impressment of sailors, economic actions & boycotts

- Political elites take up issue; economic elites warn of disaster

- Bills introduced in Parliament, to much opposition and derision; events also play a role

- Political change takes place as a result of changing economy and public pressure

- Britain abolished slavery in 1806, slave trade in 1830s and later instituted abolition in its colonies
Norms become established as ethical restrictions

A norm against some "normal" practice emerges

Awareness of this practice becomes widespread

Public concern is communicated to authorities

State acts to change practice through legislation

Racial segregation is both illegal and "non-normalized"

Racial segregation is immoral and unjust

Graphic evidence of action is disseminated

Demonstrations, rallies, violent response

Struggles in Congress, states, streets

Violations of law and ethics are simply not done
In the absence of political channels, what happens?

People become aware of some “normal” practice

Practice is viewed as immoral and unfair

National governments defend the practice and costs

Domestic political system allows only for limited pressure and change

Children sew soccer balls and rugs because they are dextrous

Children work long hours for low wages in unhealthy conditions and denied education

Companies invest according to low wages; families have no other sources of income

System might not be democratic; investors have excessive influence; elites benefit from child labor
The attractiveness of the market becomes apparent

Activists can publicize the effects of such work on young children

Buyers of soccer balls and rugs don’t want to appear immoral or insensitive

Activists can publicize how companies treat child workers and take advantage

Companies don’t want to appear greedy or exploiters of young children

Campaigns can urge consumers to “vote” by boycott or preferential buying

Companies fear impacts on brand value, share value, and bottom line

If one company changes policies, others may also do so

There are benefits to good PR, and changes may improve revenues and profits
Corporate social responsibility is therefore very popular

Corporations are concerned about public regulation

Voluntary, self-regulation is much more “flexible” and “efficient”

Corporations impose standards on themselves and have practices certified

Lengthy political struggles and lobbying are avoided

The absence of any global political authority does not matter

Consumer choice will ensure that corporations act in civil fashion

But corporate self-regulation is not binding and can be eliminated at any time

Consumers can lose interest or change preferences, too
The market is “political” but not ethically binding

Politics involves playing a role in the conditions governing one’s life → Markets involve making choices among a range of consumer options

Once the polity has made a choice about these conditions, they are binding until changed → Consumers and corporations are free to individually change their choices at any time

Global political mechanisms for debate and ethical choice are weak or non-existent → For the time being, states remain the locus of meaningful political choice, including political economy
Transnational social movements are considered threats

Such movements seek to mobilize people and put popular pressure on states and int’l institutions

Political changes must come through states, especially the more powerful and wealthy ones

Given states’ willingness to structure political economy in service of capital, and the difficulty of ethical change, states will resist pressures

Both the anti-globalization movement and the salafist jihadist movement can be seen as trying to mobilize publics in favor of ethical “restructuring”

Both are treated as “security threats,” albeit in different fashion