

**Council on Foreign Relations. 2002. Globalization: Challenge and Opportunity. W. W. Norton and Company. New York, N.Y. vi + 161 pp. Paper: Price: Unknown**

There is no question that the globalization debates have raised many difficult issues. United States national interests and moral concern are forcing many officials in the government to examine global problems more critically and to begin to ponder how many problems that are plaguing the world could be resolved. Certainly, globalization has enabled many people in the developed and the developing countries to see more clearly how trade and other global partnerships economically impact people. One area where globalization has enabled the whole world to try to do something more concrete is "world hunger". As a matter of fact, it has been established that 800 million people living in the Third world do not have food security.

Globalization has given rise to a new public consciousness, which comes from the sound basis of morality, ethic and responsibility. Although the globalization trend began almost 200 years ago, it is only recently since the 1999 demonstration, against the World Trade Organization in Seattle, Washington that "globalization" has become very well known. The growth in international trade has helped in the education of the public as to the ramifications of increased trade. Thus in 1999, globalization became a topic of great worldwide interest. It is a topic of interest because it poses a tremendous amount of challenge and presents a great deal of opportunity for economic development if managed properly.

The book under review: Globalization: Challenge and Opportunity, explains the multifaceted nature of globalization. It argues that globalization is a multinational venture, which combines growth, development, sovereignty and inequality. The book consists of an introduction and fourteen chapters. The chapters are works, which have appeared as, published articles in the journal-Foreign Affairs and experts who are quite knowledgeable on the issues of global economy wrote them.

The chapters are grouped into four sections. In the first section, an effort is made to provide those who read the book with definitions which the authors believe would enhance the understanding of the many facets of globalization. Since many people are divided over the issue of whether or not globalization is generally a success or failure, the first section sheds some light on the confusion.

Globalization has no doubt engendered new thinking. The new perspective is captured best by many of the authors who contributed to the second section. In this section, the authors provide an analysis of how well developing countries have succeeded in the new global economic order ushered in by the

dictates of the industrialized countries. The issue of what the mechanisms should be in order to assist developing countries to do well in the new era of globalization is raised in this section. In examining this section, one recalls the article written by Jeff Faux (the President of the Economic Policy Institute) in the American Prospect (Winter 2002) in which he made this observation:

Indeed, with the end of the cold war, the Third World lost much of its international bargaining leverage in the 1990s. Successive U.S. administrations cut back foreign aid and bluntly told poor countries that they could develop only by offering up their natural resources and cheap labor to global private capital. If they resisted, there would be no more loans from the International Monetary Fund or the World Bank. There was little choice. In some impoverished places, the new order created export jobs and made local entrepreneurs rich. But more often than not, the result was a massive dislocation of rural peasants, the blowing away of domestic industry by multinationals, and the growth of a discontented urban proletariat.

In the third section of the book, the contributors offer an impressive discussion of how governments and corporations or firms conformed to the globalization pressures. For example, “poster child” countries like Argentina which did everything that was asked of it by IMF survived for a while but its economy collapsed in the long run. Other countries like South Korea performed well for some time but its economy has been having some problems recently although it is still in a much better shape than many near-industrialized countries. Access to the United States market has been a serious problem for some developing countries in the face of globalization. Free market has not meant the same thing for the developing world and the developed world. The United States had to decide which of its basic industry—steel or clothing and textile—to sacrifice to the Third World argument for a fair share of the world trade. The global new economic arrangement and the gains and losses due to world trade are tackled with a degree of difficulty by all the contributors in this section.

The fourth and final section of the book confronts the landscape traversed by the international financial institutions. There is a strong suggestion that there is a need for reorganization or reforms of these institutions in order to make them more relevant to the contemporary needs of many countries of the world. Policies that are advanced by the World Bank and IMF (International Monetary Fund) have sometimes caused problems in the economies of some countries. Examples of such countries include Indonesia, Malaysia, the Philippines and Thailand.

Overall, this book has clearly been organized to allow its readers to focus on the challenges and the opportunities that globalization offers the countries of the world. Although the strengths of the chapters vary from very good to average in scholarship, it is recommended as a supplemental text for seminars on globalization and development.

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