

Wanted: New Rules to Transact
The Business of International
Agencies

By

Jagdish Bhagwati

The author is University Professor at Columbia University, and Senior Fellow at the Council on Foreign Relations, New York.

[NOTE: Both affiliations MUST be mentioned.]

The shrinking of the World Bank/IMF meetings to two from seven days under threats of violent anti-globalization protests, and now their cancellation under threats from yet more deadly terrorists, underlines the need to rethink seriously how one handles one's international business. Indeed, the anti-globalization protests have grown steadily more confrontational: Genoa was the bastard son of Seattle.

The leaders in Europe who talk of the Battle of Seattle (rather than the Seattle Debacle), and the journalists who played it up with write-ups on its "anniversary" in Western media, must share some of the blame. For, it is clear that we are in a different and ingenious kind of war by these groups where the principal targets are the international agencies and superstructure that were the postwar creation and pride of the far-sighted liberals --- I mean liberals in the American sense though, characteristic of the anti-intellectual thrust of the anti-globalization movement, these groups typically use the word liberal in precisely this sense of a "progressive" while they assail the pro-globalization forces as "neo-liberal" in the Manchester School "conservative" sense still prevalent in the United Kingdom.

Whereas the old guerillas strike where you least expect them, these new guerillas strike where you most expect them: at the mammoth meetings of these agencies, and of G-8 (and even Davos and the International Chamber of Commerce gatherings). The world's press gathers at these, often uneventful and dull, events where the theatrics and the fury unleashed in the streets are enthrall the media and are immediately transmitted to the world, with images of policemen battling with batons and bullets the unarmed young and the angry swiftly undermining support for both the agencies and globalization. This uneven battle cannot be won unless dramatic changes are made in the way the agencies transact their business, for that they must if only to assert the values of a dynamic and democratic society and open world economy that these groups pretend to support but in fact undermine, consistent with our democratic traditions of free speech and protest.

First, these gatherings must be confined to occasions when there is truly something to transact that requires massive assembly in one place. The cancelled Bank/Fund meetings do not meet that test: nothing of great consequence was to be transacted. In fact, the elimination of such purposeless events would even

release massive resources, both of these institutions and of the host country which must provide the security, to Advance the professed objectives of these agencies, such as to build more schools and hospitals in the poor countries, if these annual extravaganzas were stopped.

Second, when the assembly is required, the anti-globalization groups must be allowed to meet, but at a reasonable distance such as 50 miles from the site of the assembly. At the last Davos, for example, there was a simultaneous Anti-Davos meeting with a revivalist celebration by failed revolutionaries away in Brazil: but the oceans need not divide the two parallel events. The great UN Women's Conference in Beijing did precisely what I suggest; and it advanced the agendas of the more activist women quite effectively. It would be up to the media then to cover these parallel meetings, should they so choose.

Third, demonstrations must not be ruled out from the streets without violating our traditions and their rights. But this has to be regulated so it does not degenerate into violence. These groups can democratically select the leaders and the rank and file who will be let into the 18th Street, for example, if the Bank/Fund is having an important meeting that requires assembly in Washington DC. No one has the right to say that freedom of speech requires that you can get up in a safe theater and shout Fire or the right to get up in an airplane today and scream "Down with American fascists". After Genoa, we know where such freedom leads; it cannot be defended.

Fourth, when nonetheless the risk is high of violence, and the international agency has a truly important task before it, there is surely a case to shift from assembly in one place to a "virtual" meeting.

These principles apply nowhere more importantly than to the forthcoming WTO Ministerial meeting in Doha, Qatar, scheduled for November 9-13. It is an exceptionally important meeting where we hope finally to launch the new multilateral trade round. It is important to do so, but does it really require us to go to Doha?

Consider the downside. Doha is in the Middle East. It has little security of its own to offer its prime-target guests. They would have to bring in their own. The resulting Tower of Babel on security could well collapse like the World Trade Center. If the United States is engaged in retaliation, the Middle East may even be aflame. Then again, the radical anti-globalization groups would pose a yet further source of threat: flotillas and frogmen have been threatened. Few could even get out of Doha if anything went wrong: it is served by few airlines. A disaster is likely. 1

But why not then have Mike Moore, the charismatic WTO chief, in conference call, launch the new Round with telephoned approval of the different leaders on November 9th? If a sabotage is feared against the ceremony in Geneva, and Switzerland cannot ensure WTO's security, the assent can be sent in by the different governments prior to a formal announcement of the launch by Moore at the WTO. That would be a sufficient answer to the anti-globalizers: our business, which will achieve their agendas better than anything they propose, will go on.