

International Politics

A Look Inside

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Perceptions and International Politics

Studying International Politics means, amongst other things, attempting to understand the political behavior of human beings in vastly different cultures. To do this we will start **inside the human mind**--improving our understanding of the hows and whys humans see things so differently. The writing below borrows from philosophy, psychology, sociology and other disciplines. It might seem somewhat esoteric when you read it, but be assured that the intent is eminently practical-- understanding **why** we believe what we do in the political world is essential to comprehending the political behavior of ourselves as well as others.

One of the more important concepts in the social sciences is that humans do not see the outside world directly; we see a **representation** of it. What we see of the outside world is essentially a movie that is partially directed and created by ourselves and partially by others. A common mistake we make in our everyday lives is to assume that what we see or **perceive** is the outside reality itself, without changes. We are not aware that the picture or movie that we perceive is, in many ways, very different from the outside reality. In international politics this practice prevents true understanding, leads to confusion and lack of communication, and very often, to violence.

There is a complex conversion process that occurs before the noumenon (that which is) becomes a phenomenon (that which we perceive). Part of that process is physical, another part psychological. The physical senses bring outside reality to the brain, then the brain or mind interprets what has been presented to it. In the initial process there is no reflection or thinking, as most of us use that term. Perceptions of outside events are instantaneous. They occur at the speed of light, or in real time.

Take the name **Barak Obama** as an example. When you saw the name you had a perception; you did not perceive the name itself, you saw a representation. The noumenon is simply ink on paper (if you are reading this in printed form). The ink has a chemical composition, it occupies some space, and it has other physical properties. What you and I see is something much different. First, our eyes have converted different light waves into colors, in this case black and white. The ink itself does not possess color; its chemical composition takes light energy and converts it to different light waves. Ink, which we see as black, absorbs most light energy and what we see is an absence of color, or black. The ink isn't black; our perception of it is. Our

other senses work much the same way. Our ears take vibrations that move through space and convert them into sound. Our taste buds take simple chemicals and change them into taste. Minute particles floating through the air are converted into a scent or smell; molecules that are excited and moving rapidly are experienced as hot by our sense of touch, and so on. What we experience is not the ink or vibrations or the other above-mentioned noumena in and of themselves; rather we experience representations of them that our senses have altered. This is key concept to remember. What we experience or perceive **we have helped create**. We are not passive recorders of reality. We **transform** reality constantly and instantaneously.

Although this is not the place for a discussion of time, it, also, is a perception. Time is essentially the relationship between objects that are moving to each other. Confusing? Let's leave time to philosophers and students of physics. Back to Barak Obama. Since humans have very similar senses, it is probable that we have very similar **physical** perceptions of the name. The same is true of the physical part of most other perceptions. They are probably much the same for the majority of humans. The shape of a rifle or the face of Barak Obama appears pretty much the same to most of us. The psychological component of the perception, however, is likely to be very different indeed.

There are several factors that affect the non-physical or psychological part of perception. Some of the most important of these are experiences, beliefs or values, and wishes or desires. In these factors we humans are very different, and, therefore, so are the perceptions that we have of the same realities.

Let's take the name Barak Obama again. Our experiences relating to Obama are different. Some of us have followed his political career closely for some time; others have not. Some of the people we know have largely positive views of him and have shared these viewpoints with us. Other friends and loved ones have expressed negative opinions. Each of us has had different experiences relating to Barak Obama and to that extent our perception of the name, and the man the name represents, will be different.

Secondly, we all have somewhat divergent beliefs or values. Although we like to think that all of these values have been freely chosen by us individually, it is probable that most of them have been given to us by our culture, the people who raised us and others whom we have met. Since these values are so different, so also are the perceptions we have. If we are fundamentalist Christians who believe that abortion is immoral, homosexuality is evil and the best way to deal with evil people is to put them in jail or kill them, then it is obvious that we will have a very different perception of Barak Obama than someone who is an intellectual pro-choice, atheist who doesn't believe anything is evil.

Finally, each of us **wants** to see different things. We want to believe in certain versions of reality. If we were Republicans who supported George Bush Sr. and Ronald Reagan, it is likely that we wanted to hear negative things about Bill Clinton. Listening to the news we might unconsciously tune out information that was complementary to Clinton. We might pick up negative news more easily. Or, more likely, we would listen to people or read articles that suggest something negative about Clinton. After we have read and listened to many accounts about how terrible Bill Clinton is, we would have successfully reinforced what we wanted to believe in the first place.

Generally, we want to believe in things that make us feel good about ourselves or make us and the people we identify with look good. It's easy for a Jew living in Israel to believe that Arab Palestinians are violent and untrustworthy. It would be painful to think that Israel has stolen Arab land and severely mistreated Palestinian Arabs. Of course one can turn this around for Palestinians; it is easy for them to believe that most Jews hate Arabs and intend to steal their land. Most people in the United States like to think of U.S. citizens as brave, freedom-loving people. It would be disturbing for these same people to think that they are bullies who use military might to push other countries around for the economic advantage of the United States.

Since it is the psychological component of perception that creates the major misunderstandings among humans, it might be helpful to look into it more carefully. A good principle to remember is that all humans have been programmed by their past and by their internal psychological makeup. There is no such thing as an "objective" human. We are all subjective, biased by our experiences and internal design. **YOU ARE PROGRAMMED.** You have perhaps chosen a small part of that programming; most of it, however, has been outside of your control.

The structure of the human brain is such that by the time you have perceived the name "Barak Obama", the name has already passed through all of the information in your brain that was remotely related to the name itself. For example, it has passed through all of the programming having to do with black (somewhat at least) middle-aged males, the information relating to politicians, to people who are Democrats living in the USA in the 21st Century, to U.S. presidents, to anything you have ever heard, read or thought about the particular individual named Barak Obama. Can you imagine the perception of this name by a young man or woman in Cuba who has been brought up to admire a system they call socialism and a man called Fidel Castro? What perception is evoked by Hillary Clinton when she turns her sensors to this name?

You should understand that specific individuals and institutions have been your major programmers. Your parents, teachers and friends have been significant programmers. The institution most important in your programming relative to international politics has probably been the mass media. You should understand that the media in **every** country is biased. You will become aware of this if you travel and read newspapers or watch the news in other countries. In some countries the bias is easy to spot, in others it takes a more careful observer to see how the news is slanted. Often the bias is not particularly **how** something is reported, but whether or not it even makes the news, or if it does make the news, **where it is placed** in a newspaper or magazine is important. **When** and **for how long** it is mentioned on radio or television conveys its importance. In the USA, for example, if three Israelis were stabbed to death in Jerusalem by a Palestinian, the probability is that it would make the front page of most newspapers and be on in the first few minutes of a radio or television newscast. If three Palestinian youths were shot by the Israeli military the story would most likely not receive such prominent coverage. In Pakistan or Iran the coverage would be much different.

The exposure we have had to the media has affected our beliefs and expectations, and therefore, our current perceptions. For example, a communist recently won the race for Mayor in Bologna, Italy. The perception that you have of that event is flavored by your beliefs about communism and Italians. Another example: a UN commission called the Truth Commission held the military of El Salvador responsible for murdering six Jesuit priests, their housekeeper and her young daughter, in addition to killing approximately 10,000 others over a fifteen-year

period of time. The military during that time was fighting against a guerilla movement that was headed by many Marxists. The United States spent billions of dollars supporting the government and military of El Salvador during this time period. Fidel Castro and the USSR supported the guerilla movement. Can you see how beliefs concerning Jesuit priests, young women, Marxism, Fidel Castro and the government of the USA all affect perception?

More hidden to us are internal psychological structures and tendencies. Virtually all beings have been programmed for self-preservation. This is instinctual. Related to this is, in this writer's opinion, an innate understanding or feeling that we are good. You don't need to be taught that you are good; you assume it; you live it. It may be that you and I have done foolish things and that we are not all that we could be; but we have a natural instinct and need to like ourselves. If we didn't have a basic, unspoken knowledge of our own value, we would not continue our existence for long. Of course, sometimes things override this instinct and we commit suicide. But this is rare; you and I generally do not consciously do things that are self-destructive. Try pinching yourself hard for a moment. Do you have to tell yourself to stop? No. You have been programmed to preserve yourself; to avoid pain. The same is true of **psychological** pain; we avoid it if possible. We don't need to be told to stay away from people who don't like us and who put us down or insult us. We just do it—if we can. On the job and at home this isn't always possible.

Unfortunately, there are some things that cause us some physical pain or discomfort, but through education we know we have to do them for our own well being. Exercising can be painful, so can injections, but we know that they can help us in the long run, so we endure them. Similarly, we sometimes avoid things that give us pleasure, like ice cream, or smoking, or some drugs, because we know they can be harmful to us. The same is true of psychological pain. We are naturally programmed to avoid it, but at times it is necessary to our long-term happiness to suffer some anguish and hurt.

Since we have a natural tendency to like ourselves it is generally easy for us to believe positive things about ourselves. We naturally **want** to believe positive things; therefore, we often do. Many of us see our countries as extensions of ourselves. We see the people in our country generally as good. To the extent that other people and other countries are different, it is easier to believe negative things about them. If your country becomes involved in a military conflict the probability is that you will have a very negative perception of the death of soldiers in your country's armed forces. You will wish to believe that your country was right when it became involved in the conflict. Frequently you and I are not conscious of these wants and needs, but they are helping to create our perceptions; and while most times these unconscious desires serve us well, sometimes they are extremely dangerous.

Racism and Nationalism are often results of thinking things that make us feel good, but can end up causing enormous carnage. It is natural and easy to see people who are like us as good. If someone challenges your people or country it is easy to see them negatively.

There are psychological processes called **defense mechanisms** that we as individuals, or groups of like individuals, such as ethnic groups or nations, use to help us feel good about ourselves or to avoid emotional pain. Although definitions vary somewhat, **a defense mechanism is a largely subconscious or unconscious psychological process that distorts reality to protect a person from emotional pain or discomfort.** The key words are

"distort reality." You and I may be exposed to the same event but we see or perceive different things based on what we unconsciously wish to see.

Probably the most commonly used defense mechanism in everyday life and in international politics is **rationalization**. This is a tendency to justify our actions or those of our country by explanations that make us or our country look good to ourselves and others. Why did the USA become involved in a war in Iraq? If you ask someone from the USA he might say, to protect the people of Iraq from an evil dictator and to protect the USA from terrorism. Most Moslem Arabs seem to believe that the major reason the USA went into Iraq is to gain control of that country's petroleum resources or at least control the Iraqi government which would own most of the petroleum. They tend to believe that it is the USA and other Western countries that are responsible for the poverty of most Arabs because the West has stolen the oil of these countries. It wouldn't be easy for most U.S. citizens to think that its government primarily acted out of materialistic greed. Nor is it easy for many Arabs to believe that they and their relatives are responsible for the poverty or military weakness of their countries.

We cannot trust our explanation of our behavior to ourselves or others, nor can we trust our beliefs about the motivations of our countries. We don't **know** fully why we think or behave as we do. We often give self-serving explanations because these explanations help us feel good about ourselves and our countries—which, again, we often perceive as extensions of ourselves.

Imagine for a moment the different answers you might get if you asked a Mexican and a US citizen why it was that the USA annexed almost a third of Mexico after the Mexican-American war? Another example would be why the United States and the Soviet Union spent so much money on weapons, especially nuclear weapons, during the cold war? The governments of both countries said it was for the protection of their countries from hostile enemies. Clearly, however, both countries used their military power to intimidate other countries for their own economic or political advantage. If we created these weapons for defense against each other why is it that we don't greatly reduce or eliminate them now that we are no longer enemies?

Another defense mechanism that is often seen in international relations is **projection**. This is a tendency to project onto others faults or negative traits that we possess ourselves, but do not wish to recognize. We exaggerate in others what we do not wish to see in ourselves. When someone disagrees with us, it's easy to see how stubborn or poorly informed he is. It's not so easy to see the same things in ourselves. How many of us clearly see others being inconsiderate drivers? Are **we** thoughtless drivers? No.

Projection doesn't necessarily mean that others do **not** possess the qualities that we see in them. It does mean that we often **exaggerate** what we see in others and ignore our own faults because we do not wish to see them. Often we see (and exaggerate) in others traits we possess ourselves but don't want to face up to. People in Iraq who attack U.S. soldiers and sympathizers of the government that the USA helped to create are seen as terrorists by many U.S. citizens. We in the USA see ourselves as being peace loving people who are trying to give the Iraqis a democratic government. Many in Iraq see us as evil invaders of their country. They see their friends who perform suicide bombings as heroes and martyrs. The leader of Libya, Khadafy, saw Ronald Reagan as a terrorist because he bombed Libya and frightened many people. Ronald Reagan saw Khadafy as a terrorist because he believed that Khadafy supported groups who bombed U.S. facilities and citizens. George H. Bush (Sr.) said that

Saddam Hussein was using his military to push other countries around and that he was stubborn and unreasonable for not removing his troops from Kuwait after he (Bush Sr.) told him to. Hussein pleaded for the United States to sit down and discuss the situation before military action was taken. After the USA and its allies drove Iraqi troops from Kuwait, Hussein blasted Bush for being too stubborn to discuss things and for pushing smaller countries around with his military. Perhaps one hundred thousand people died in the Gulf War, most of them Iraqi soldiers. Who was responsible for their deaths? If the U.S. government was mostly responsible what does that say about the U.S. government and the people who supported its actions? If Hussein was primarily responsible what does that say about him and those who support him?

Although it is much easier to see the faults of other people or countries, we need to be able to recognize our own defects to be able to improve ourselves. Becoming conscious of our tendencies to distort reality is an important step to positive change. In international politics we need to look carefully at explanations that make our country or its leaders look good. We should understand that our fellow nationals will want to think well of themselves and will more easily accept explanations that make our country look good. Very often a less complementary explanation of our country's behavior or motives is closer to the truth. Most countries elect or have leaders who gain power or keep it by telling us how wonderful we are and how bad our enemies are. We tend to support people who help us deceive ourselves about ourselves.

On an individual or personal basis it is perhaps even more important to examine ones' perceptions with a skeptical eye. We often have very closed images, images that are extremely resistant to change. Frequently these images or perceptions make us feel good about ourselves. The images are closed because we have an **emotional investment** in them. We **want** to believe them. Often we have believed them for a long time and have acted on these beliefs. If we doubted them now and admitted we were wrong, it would make us look foolish. How easy would it be for a person who has been a Catholic for forty years to doubt his or her religion? A person who has been a liberal Democrat for fifty years will find it very difficult to believe that Republicans really have a better understanding of the relationship of free markets to free speech than Democrats do. Someone who has been a Moslem for thirty years is not likely to consider the possibility that the Jewish religion contains more truth than his.

As students of international politics we need to be aware of how our culture and country affect our perceptions. We need to wary of easy explanations and arguments that make us feel good about our country. We should feel good about our country; there is much to be proud of. But this love can get carried away. It can result in something ugly, rather than beautiful.

Read the following paragraph.

Be proud of your race. It is a special race. It is better in most ways than other races. In fact it is the best race in the world and you are indeed fortunate to be a member of it. Help those who are of your race. Those who oppose your race must be considered the enemy. If another race or ethnic group attacks or insults your race or threatens it in any way, it is right to fight them. If members of your race are fighting other races you must support your race at all costs. Better a hundred or a thousand of them die than one person of your race.

I assume that most of you would see the danger in this type of thinking.

Now substitute the word "country" for "race" in the above paragraph and read it again.

Facts and Opinions

Closely related to the above discussion is the differentiation between fact and opinion as they relate to international politics. If you were to look up the word "fact" in a dictionary it would say something like "that which is true or correct." In everyday usage this meaning is usable. In the social sciences, however, we have a more exact meaning. Although there is some disagreement about the wording, a definition that many would accept (and the one that we will use in this course) is the following. **A fact is something that has been verified almost unanimously by a large number of observers with different and/or opposing viewpoints using several different methods of verification.** This is very different than an opinion. An opinion is a perception or belief that one has about something.

Many people simply believe that most of their opinions are facts and state them as such. When these opinions are expressed as fact to others who do not share the same beliefs, conflicts often occur. The belief that opinions are facts often results in a lack of questioning. In subjects relating to international relations this often occurs because one is surrounded by people who share the same beliefs or opinions.

Again, as a student of international politics you should be aware of the many factors that have programmed you to see things in a certain way.

Many people in the United States and Europe believe that it is a fact that the Sadaam Husein was an insane dictator. Many Iraqis believe that the United States is trying to control their country and murdering thousands of Iraqis in the process. In each case it is likely that almost everyone around them believes the same and therefore these things are seen as facts.

In the United States there are many who believe the following are facts.

The United States is the best country on earth.

Socialism is bad.

Communism is bad.

All countries should have democratic governments.

Saddam Hussein was a ruthless dictator who did not care about the people of Iraq.

None of the above would fit the definition of fact as written above, yet they are believed to be factual by many, perhaps most, Americans. In many other countries people believe statements such as:

The United States is power-hungry.

The United States cares only about making money.

The United States doesn't care about the poor.

The United States hates Moslems.

In our thinking, and therefore in our discussions, we should be careful to distinguish between opinion and fact. Doing so will increase the probability of us being open to new ideas and learning more about the world we live in.

Nationalism

Definition

There are many different definitions of nationalism. One may look at it primarily from a historical, societal, or political viewpoint for example. For the purposes of this class, we will examine it primarily from an individual or personal viewpoint. That is, we will consider its effects first upon individuals and then extend the discussion to other aspects. Thus, viewed by an individual, **nationalism is a feeling of identification with and dedication to a particular nation-state to the exclusion of all other nation-states.**

Let's pick this apart for a moment. First of all, nationalism is a **feeling**. It is an emotion that can motivate people to do extraordinary things. That is the power and danger of nationalism. While nationalism is not instinctual, it does feed off of deep psychological needs.

Secondly, it involves identification. There is a "we" or "us" that goes along with nationalism. It is "our" country that is being criticized, attacked, polluted or damaged by drugs. "Our" soldiers are in danger or have been killed. Why should "we" become involved in Iraq? Why is what is happening in Haiti or Iran or Darfur "our" problem? Why should "we" care about "them"?

Thirdly, nationalism drives us to **do** something for our country. Perhaps we will send candy and cards to our military troops in "foreign" countries. We might be willing to work hard to clean up our country or make sure we preserve its beauty. Ultimately, we may be willing to give up our lives for our country. We are dedicated to it, and **not** to other countries or nation-states.

At its essence, nationalism is **exclusive**. It is a jealous suitor that separates its lovers from humans of all other countries. The identification is with **one** country, **one** people. We must take care of the USA or Mexico or Israel--our country, not others.

Historical Roots

Nationalism is a relatively new phenomenon. It only began to capture the loyalty of many people about two hundred years ago, at the end of the Eighteenth Century. It didn't affect most of Asia until the beginning of the Twentieth Century and most Africans were not exposed until the end of World War II. Indeed, many Africans still feel little or no loyalty to a particular country.

Prior to the end of the Eighteenth Century most people in Western Europe and the Americas thought of themselves primarily in religious terms such as Catholics, Lutherans, Puritans and such. They gave their allegiance to their king or noble and to the particular town, state or area that they lived in. In the Middle East people thought of themselves as Moslems or Christians and identified with a particular king, caliph, or sultan.

A key to understanding nationalism is that it became possible only with technological advancements. As the printing press became more utilized and better roads and means of transportation facilitated travel and commerce, people began to identify with others like them that lived further and further away. A nation must have a "sense of itself" before nationalism is possible. Information and transportation technologies were the conduits through which nationalism flowed. As we shall see later, further advancements in these same technologies are beginning to erode nationalistic feelings in many countries.

Two historical events are credited with the initial explosion of nationalism in Europe. The first was the French Revolution that began late in the Eighteenth Century and extended into the Nineteenth. The revolution in France abolished the Monarchy and destroyed the nobility. In its place the creed of "patrie" or loyalty to the "fatherland" took hold. Because of the revolution, France no longer belonged to the King or the nobility or a Church, but rather it belonged to all of the French people. The idea caught fire in France and allowed Napoleon to raise large armies of volunteers who were willing to fight for "their" country. The armies of Napoleon forced other countries to appeal to nationalism if only to get enough soldiers to defend themselves from attack.

In 1848 democratic revolutions shook most of Central Europe. Soon after the Germans and Italians created national governments and the democracies in France and the United Kingdom deepened. It is this link with democracy that strengthened nationalism. Democracy gave citizens a sense of ownership. The act of voting meant that they were buying into their country. **They** created the government. The people chose the leaders and most of the laws and policies of their countries. It really was **their** country.

In the Twentieth Century, World Wars I and II inflamed and spread nationalism. People were defending their countries from others. Huge armies were raised by appealing to citizens' patriotism or national pride. Citizens were fighting to serve "the fatherland," their countries, to protect their way of life. In World War II "Americans" were not just fighting the armies of Adolph Hitler, we were fighting the Germans and the Japanese who were threatening our country and, therefore, us and our way of life. In Germany, Hitler was able to convince many Germans that killing Jews was serving the fatherland. Japan persuaded many of its soldiers to sacrifice their lives in "kamikaze" missions for their country and its' honor.

It was nationalism at its best and worst.

Political and Psychological Connections

You and I were not born with a love for our country, we are taught it. It is placed into our heads by our parents, teachers and ultimately our national government. An important concept to remember is that nationalism empowers our government and those who run it. It increases the

power of our president and our representatives in Congress. It gives them legitimacy. If you pay attention to photos of our presidents and members of Congress you will almost always see the colors red, white and blue in their attire. Often a flag is in the background. They want to associate themselves with the USA. If they are successful in doing this we are more likely to follow their leadership. In other words, if they represent the USA and we love our country, we will support them.

Those in government understood this clearly early on and have used the media to push nationalism because it serves the interest of those in power. In the Eighteenth and Nineteenth centuries newspapers and pamphlets were used to tell people how great and wonderful Americans or Englishmen or Germans were and how proud these politicians were to be representing us. They used the media to get support for the government and for those who ran it. In the Twentieth and Twenty-First century, radio, television and ultimately the World Wide Web were used to spread the message. In the United States the message is this: America is the greatest country in the world, as an American you are a great person and we in the government represent you so you should support us and do what we ask you to. If we ask you to fight in Vietnam killing many Vietnamese and risking your life you should do it because we have asked you to. If we ask you to drop cluster bombs that will kill thousands of Iraqis you will do that because you are serving your country. If we ask you to volunteer to clean up national parks and serve on volunteer boards that advise the president or Congress you will do this because this is your United States of America.

Perhaps the greatest reason that nationalism has become so popular is that it satisfies deep psychological needs. It can help us feel important, special. It can give us a sense of dignity and pride. You and I may not be very good looking or successful economically, we may not be the best athlete or the most intelligent person in our family. But we are **Americans** (or Mexicans or French or ...) and we are the greatest people living in the greatest country on earth.

We **want** to believe that we are special people. Nationalism can help fulfill that wish. And, just as there is almost no limit (in the opinion of this writer) to the lies a person can tell himself about himself, there is almost no limit to the fabrications that people can be led to believe about themselves as a nation.

Advantages to Nationalism

Perhaps the greatest benefit of nationalism to a particular country is that it enables people who may live far apart and be very different from each other to work together to achieve national goals. A country whose people are united is difficult to defeat militarily. The lesson of Napoleon's armies is still true today. Defeating an army can be easy. Defeating a united people can be almost impossible. To a certain extent this was the difference between North and South Vietnam. The people in South Vietnam were not as willing to sacrifice and die for their country or leaders as were the people in North Vietnam. The United States dropped more explosives on North Vietnam than we did on Germany in WW II; but we were not able to defeat them.

Military goals should not be overstressed. We become embarrassed when we find out that students in other countries are scoring better on international exams than "our" students. We

are motivated to improve our schools, to support our athletes in the Olympics or other sporting events, to clean up our government because this is our country and we wish it to be the best. Because people identify with one another they are willing to help others in the same country. A country becomes like a big family. It takes care of its poor and elderly. U.S. citizens in other countries who are threatened can count on support from their government and its people. Citizens who are victims of hurricanes, tornadoes, floods and other disasters can count on their fellow citizens to come to their assistance.

Although nationalism can easily lead to hatred of people in other countries it can help to overcome barriers of race, religion and geographic regions within a country. This has certainly occurred in the United States. To an extent it came about because of the propaganda that we spread against the Germans and Japanese in the Second World War. We were told that we were fighting against the racism of the Germans and the Japanese, against their governments that demanded absolute obedience from their citizens. After the war racism became less tolerable in the United States. Differences between the North and the South were minimized. We became somewhat more tolerant of each other, more willing to listen to different points of view.

Finally, nationalism can make us feel better about ourselves. It can improve our feelings of self-esteem. In short, it can make us happier. Confident, successful people need nationalism less. One of the reasons that a psychological depression seems to have descended upon many of the people of Russia today is that they feel that they are no longer a part of a great, powerful country. In 1990 the average Russian was poor and had little say in his or her government, but he or she could say that they were part of one of the greatest countries on earth. In 2005 the average Russian is just as poor, but now they belong to a country that is feared by few and laughed at by many. As a people they feel humiliated. Now they tend to concentrate on past glories and blame their leaders for the weakness of Russia.

Dangers of Nationalism

Like ethnocentrism or racism, nationalism can be explosively dangerous. The greatest dangers stem from the fact that it separates, it excludes. It produces an "us-them" mentality. It can cause us to easily dislike, or hate others from different countries. It can leave us indifferent to the welfare of others.

The United States and the allies incinerated Dresden Germany, in WW II. We burnt to death tens of thousands of women, children and elderly. Today one hears almost no discussion of this in the United States. The United States dropped two atomic bombs on two cities in Japan, killing many thousands of civilians. We did not first choose a military target, we bombed cities. Many in the United States were (are) unconcerned about how many Japanese we killed. Many of us we were happy to kill as many Japanese as we could.

Nationalism gave many Germans the ability to kill Jewish civilians, gypsies, homosexuals, communists and others within their own country. The Japanese butchered tens of thousands of Chinese and forced hundreds, perhaps thousands of Philippine women to become sex slaves for their troops. The Chinese, Philippines and Americans they killed were not "them"; their victims weren't as great, as fully human as Japanese.

In short, perhaps the greatest danger of nationalism is that it is used as a reason to maim, torture and kill. It can lead to war, and in wars nationalism makes it easier to be barbaric to ones' enemy.

Another danger of nationalism is that it can lead a people to an arrogance that makes improvement of a country's government or cultural ways difficult or impossible. If we have the greatest country in the world, then what do we have to learn from other countries? If the American way is to give the owners and supervisors of businesses the right to pay and treat their employees as they wish then why should we try to learn from the Japanese? If we have always elected our county judges and sheriffs, why should we worry about the way Germans or Norwegians do it?

Finally, nationalism can lead to shutting out internal as well as external criticism or dissent. In the United States, for example, Richard Nixon and his vice president, Spiro Agnew, labeled Vietnam dissenters as un-American and tried to shut out their protests. Many citizens of the United States did not want to prosecute U.S. soldiers who murdered women, children and the elderly in a village called My Lai in Vietnam. In the 1950's Joseph McCarthy tried to smother the ideas of socialism and communism by calling them "unAmerican."

Clearly there are better examples in other countries. Fidel Castro has made socialism "Cuban." The Soviet Union called anyone who questioned the government's policies "traitors to the fatherland." In Morocco, King Hassan is Morocco. Speaking against him or his family is a crime against the country. The same is true in Syria, Saudi Arabia and other countries.

Squelching dissent can stunt growth—both personal and collective. Can you imagine what a person would be like if he or she never heard any criticism? If that person's ideas were never challenged how would he or she grow?

The same is true of a country. Nationalism can lead to ignorance, to a blindness of our shortcomings as a people and as a country.

If we don't permit ourselves to see our faults how can we hope to correct them?

Bias and the Media

Human Bias

Starting at the most basic level of media coverage means that one starts with a single human being or a group of humans who report a story. From the past reading on perception you understand that there is no such thing as a truly "objective" human being. Any story that is written is told through the eyes of the person who writes it. It is almost impossible to write a story without some interpretation, without words that are loaded with implications. For example, if a reporter was told by a NATO information officer that NATO flew 100 missions on a particular day and dropped 2.2 tons of explosives on those missions one could report that in various ways. Perhaps the most honest way would be to directly quote the information officer and leave it like that. But who would read this? Military terminology is often dry and confusing to the layperson. The reporter then must use his own words and his own assumptions. Does he or she assume that the information NATO gave was accurate? Does he or she describe the bombing in terms relative to what happened the day before? Will there be a description of the possible damage? Will the emphasis be on human casualties, military targets hit, economic damage or possible political fallout? What verbs and adjectives will be used?

When the coverage is live and on television there is bias in the sense that this scene was shown and others were not. The timing of the program, the commentators, the people interviewed on the site, the particular spots at the site being covered that are shown and ignored, all will influence the texture and slant of the story. It should be noted that all of the areas above require subjective decisions by individuals or groups.

So the first thing to remember about any story that comes out of the media is that it begins with the bias of those who are reporting, editing and deciding if it is newsworthy in the first place.

A good rule of thumb is to have a healthy skepticism whenever one reads, hears or watches a news story. An example of how far off stories can be was provided by newspaper coverage of a battle that occurred in Iraq between US forces and "insurgents." On Monday, December 1, 2003 the Orlando Sentinel printed a headline that read "**U.S. repels ambushes on convoys, killing 46.**" The next day on page three the same paper ran a smaller headline that read, "**The U.S. military said 54 guerrillas were killed Sunday; villagers said eight, including civilians.**" How many people really died in those battles? Do you believe the U.S. military account given one day or the one given the next day? Does one believe the Iraqis?

National Bias

One form of bias that is frequently unnoticed is bias caused by the nation-state that one is in. Every country has its own history, culture, problems and successes that cause the people to see or stress some things and overlook others. The United States, for example, tends to be Euro-centered in its focus. The U.S. media cover happenings in Western Europe much more closely than what is happening on its doorsteps in Latin America. There has been a civil war going on for years in Colombia which has taken the lives of thousands, but the average U.S. citizen has no idea about this. A national election in Israel, however, will command headlines and television reports for weeks. A bombing in London will be covered immediately by virtually all U.S. media. Colombia is about a two-hour flight out of Miami; London is about 10 hours away from New York by plane. Of course physical distance does not explain why this happens. History, ethnicity, economics, custom and other things are involved.

In the United States racial violence that involves blacks and whites is often paid attention to because of our history and our current problems. The U.S. media will cover whites being killed in South Africa or other countries by blacks or blacks being killed by whites. It will usually ignore blacks killing other blacks for ethnic reasons. The worst hatred and violence in the country of South Africa today is between different black ethnic groups. Over the years Yorubas, Hausas and Ibos and other tribes have been fighting and killing each by the thousands in Nigeria, but this is unknown to most people in the Americas.

More subtly, people in the same country share the same socio-political culture and don't see the bias in their media because they have the same bias. The Mexican people, for example, have a tendency to see the United States and its citizens as aggressive, materialistic and militarist. The news that one reads in Mexico often features this. It confirms and continues the views of the people. People in Iran see the United States as anti-Moslem and anti-Iranian. The news in Iran usually confirms this. To the Iranians they are reading the truth; they do not see bias. If you look at newspapers from Moslem countries you will notice their preoccupation with Islamic countries and issues, especially the conflict between Israel and the Arab-Moslem countries around it.

In the United States the words "socialism" and "communism" usually have negative connotations. In Western Europe the term "right wing" is associated with Nazism. Therefore right-wing parties often call themselves "patriotic" or call themselves the "free" something or other.

Compared with most countries, the U.S. media is much more pro-Israel and pro-British. If one has lived in the USA for his whole life, he would not notice this. If he were to visit other countries and start reading their newspapers he might catch **their** biases but miss the slanting of U.S. newspapers.

Another factor to understand is the symbiotic relationship of the national media with the people of the country they operate in. The people need the media for information and amusement. The media needs viewers. In countries where the media is controlled the government must present something appealing or the citizens won't watch. In countries where the media is more or less free, viewers (listeners, readers) mean money. Advertisers pay more money to programs that have more consumers tuning in. As a result, the media must give their consumers what they want, and usually people want to hear good news about themselves. We

can bear hearing negative news about our government, but generally we don't want to hear that we are violent, or aggressive or stubborn or racist. Even if we are. So the national media are under pressure to produce positive views of the nation's citizens. The media tends to feed off what citizens want. If Iranians want to hear how good they are and how evil the United States is, then the media will tend to give them that, if only to stay popular. In Yugoslavia many Serbs wanted to hear about how violent, uneducated and ungrateful the Albanians in Kosovo were. Many of the Serb media sources complied. When Slobodan Milosevic pushed Serbian nationalism, much of the Serbian media was happy to provide him with a conduit to the Serbian population. The media caters to the wishes of the people who "buy" their stories—and we (the citizens) wish to see ourselves and our culture cast in a positive light.

In the United States most citizens believed that the regime of Sadaam Hussein possessed weapons of mass destruction before the invasion of Iraq in the spring of 2003. The U.S. government had said repeatedly that it had convincing evidence of such weapons and that Iraq had an ongoing program to produce more of such weapons. Since the media in the United States had villainized Sadaam Hussein in previous years the majority of the U.S. public believed the Bush administration's claims. After the U.S. "invasion" no such weapons were found despite a huge effort by the Bush administration to uncover them. Much of the Arab press reported that the Bush administration had made up the claims that Iraq had these weapons in order to use this as an excuse to overthrow a regime that it could not control. How true was this claim?

There is a media bias in every country of the world. The media of each country sees the world through a lens that distorts almost every social or political story in some way. Most citizens do not see this bias because we share the same viewpoint as the media in our countries. We tend to believe that we are seeing the world objectively, when in reality we are often looking at what we have created.

Governmental Bias in all Countries

In every country there is a built-in bias in favor of whatever government or individuals are in power. This is so because of the symbiotic relationship that exists between the major news sources in a country and the government of that country. The major media and the government feed off one another. On the one hand the government needs the media to disseminate information to the people. Although it is true that some governments are their own media (they own and operate most media sources) all governments rely upon the media to give out information to citizens. The media, in turn, even in countries considered most "free", rely upon the government for information that is free, extensive and provided by recognizable sources. Newspapers, magazines and television stations do not have the money to generate all the information that they need or want. Government provides information free of charge. Also, government figures are recognizable and attract readers, watchers and listeners. An interview with the Governor, President or Secretary of State is much more likely to be viewed or read by the average U.S. citizen than a terrific interview with a political scientist who is an expert in the field.

All governments take advantage of this in some fashion to slant the news in ways they think is favorable to them.

In most countries where the media is relatively free the government cannot prevent negative news from getting out. But they can minimize it and attempt to get the media to focus on other stories. One clear advantage that governments have is that **they can almost always make sure that the news that they wish published makes it out.** Government officials will often call reporters, editors and media owners to give them news. Or they will set up photo opportunities and live interviews with government officials when these same officials are releasing news that the government thinks is positive. Virtually every major government office has a media representative who advises the government agency on media relations—on who to contact in the media and how to phrase or present the desired information. (Valencia Community College, of course, is no exception.) At the national level and for many U.S. governors the office of media relations is headed by a person called “The Press Secretary.” In 2008, George Bush’s press secretary was a female name Dana Perino. Perino headed a very large staff of media “experts.” At the national level virtually every major policy decision is run by (passed through) the administration’s media experts. The media staff will not only advise the administration on how, when and where to announce decisions, they will be consulted regarding many of the policy decisions themselves.

Governments create news specifically so that the media will cover it. The president of the United States has a media team that advises him on who he should be seen with, where he should go, how he should dress and what he should say. When a trip to another country is being planned the media team will make sure there are accommodations for the media, such as airplanes, hotels, busses, etc. They will choose specific places to visit, and people to be seen with based on the storyline that they wish to put out. They will carefully arrange photo opportunities for the media that catch the president in situations that will have positive connotations.

More importantly, all governments have some control over **access to information and government officials.** Usually one considers Great Britain, and The United States to be "free" countries where the media is allowed to print what it wishes. Yet most careful observers of U.S. politics know that the Central Intelligence Agency has long been used as the secret arm of U.S. foreign policy. Most students of Latin America believe that the CIA was behind the overthrows of many governments, including, but not limited to those in Guatemala, Nicaragua, Panama, The Dominican Republic, and Chile. Some government documents leak out over time, but most of the information about these operations have been destroyed or never existed in the first place. Many countries have stories about the CIA, but finding hard, believable information is usually impossible. What this means, of course, is that the U.S. government has conducted much of its foreign policy completely out of public view and therefore outside of public accountability.

Reporters, newspapers, magazines and even major television stations can be denied access to government officials and to "inside scoops". A magazine or newspaper that continually criticizes the President of the United States almost certainly will not be granted interviews by the President or any other important officials in the administration. What's more, the administration will deliberately leak important developments to competitors. **TIME** magazine, for example, printed a picture of Bill Clinton on the cover of its magazine that it had deliberately doctored to make Clinton look suspicious. Many different administrative officials called **TIME** to complain and the order was given to all members of the Clinton administration that no one was to talk to anyone from **TIME**. Soon after **TIME** printed an apology and later was once again granted access. But it had learned a lesson.

While governments deny access to much information, they create or smooth the way towards other information. One of the best examples was "Operation Desert Storm" (a government-created term) or the military campaign waged against Iraq in 1990-91. In earlier days the U.S. government had allowed the media to go along with troops almost no matter where the troops went. As long as a reporter or crew could hitchhike a ride on a truck, airplane or other vehicle, they could go along and report what they saw. Generally, this is what occurred in Vietnam. When the media kept showing our dead and wounded soldiers and the people we were killing on U.S. television support for the war plummeted. The government learned. In the Persian Gulf, the news media was not allowed access to the front lines. As a result our media showed very little of the bodies of the Iraqis that we had buried with our tanks and blown apart with our bombs.

The Bush administration provided the media hundreds of videos of our jets firing precision guided bombs and blowing up Iraqi military targets. The military did provide frequent interviews with Norman Schwarzkopf and other military leaders to the International media. Schwarzkopf, of course, had maps, videos and other presentation materials to please the press. The result of this media presentation was that the war was immensely popular in the United States and the popularity of President George Bush skyrocketed.

On the Iraqi side the manipulation was much worse. Western television and radio was almost completely blocked out. The few planes that were shot down were shown over and over. Dead women and children who had been killed by the bombing offensive were shown frequently on Iraqi television as was the great Saddam Hussein who was standing up to Israel and defending Iraqis and Islam against the United States and the terrorist George Bush.

In the second Gulf War the administration of George W. Bush took media control a step further. Media was still not allowed access to the front lines without government approval, but the Bush administration allowed certain media personalities to be "embedded" with the troops. This allowed the media to give favorable information to the public back home about our troops, but the embedded journalists were tightly controlled by the media and were given very specific access to people the administration chose to present the war's "story."

Direct and Indirect Media Control

In many countries media control is direct. Governments like North Korea, Cuba and China own almost all media and simply create the stories that they wish. **All** countries that are not democracies control (meaning prior censorship) the media to some extent. Control, however, varies tremendously. In Burma, now called Myanmar, the military allows private ownership of newspapers and radio stations, but they will be closed down if they publish information against the military government. Probably the worst governments in the world in their treatment of the media are Myanmar, China, Cuba, Iran, Libya, North Korea, Saudi Arabia, Somalia, Sudan, Syria, Turkmenistan, and Vietnam. Sweden probably has the most open government and media in the world.

Other countries have largely democratic governments, but the media is not free because of the power of organized crime or the military. In Colombia, for example, the media can criticize the government in most areas except for the treatment of the drug trade. If one criticizes too much

or for too long that person's life and those of his family will be in danger. This is true in many countries, including, but certainly not limited to, Russia, Japan, and some areas in Italy.

In most Latin American, and African countries one must be very careful when reporting about the actions of the military. Reporters get beaten up or disappear with some frequency if they become too vehement in their criticism. In many Mexican cities, for example, it is foolish to print negative stories about the police or state military. Recently a U.S. reporter that was investigating corruption in the Mexican military and government was found dead in a rural area. He had been murdered. It is doubtful that the killers will ever be found if they are connected to the military or police. After all, the military and the police are the ones doing the investigations.

In many countries of the world there are paramilitary forces that work with their governments' knowledge and acquiescence. Colombia, Yugoslavia, Indonesia, Russia, Guatemala, Iran, Guatemala and many other countries have been examples of allowing quasi-governmental groups to savage the media. When these groups torture and kill reporters or blow up newspaper offices the government claims ignorance, but never catches the perpetrators. Within these countries it is well known that the government was responsible, but it can seldom be proven.

Another informal but powerful source of media control is that exercised by different religious organizations. Some countries are primarily one religion, but their governments are democratic --or at least somewhat democratic. In governments such as Poland, Egypt, Ireland, Morocco and Jordan the influence is often subtle but sometimes overt and forceful. In countries like Iran, or Afghanistan, religious authorities have tremendous influence over the governments and therefore the media. Many countries of the world have one religion that is predominant. This influences the media in many subtle ways because they do not wish to antagonize their customers. In effect, the media practices self-censorship; they do not publish or say things that they believe will be offensive to their customers.

As noted above all governments exercise some indirect control of the media if only by providing them with good pictures, videos, or interviews. The same is true for local or regional governments as well. A reporter who covers the local police and prints negative stories about police is likely to be shut out of news in the future. A newspaper that backed the governor for election or re-election is much more likely to be given interviews with the governor and members of his administration.

Another form of media manipulation occurs by the private sector. Most medium-sized corporations and virtually all large corporations maintain a media or public relations office. Companies usually have clear policies about what can be released to the public. If you work for a large corporation you probably know about things that would have lifted eyebrows if the media had known about it. In the Orlando area, for example, this author has been told of numerous stories of events that have occurred in theme parks that have been hidden by the parks' administration. Perhaps the biggest story in the United States in the Twentieth century of private companies hiding information was that of the tobacco companies that knew for over twenty years that nicotine was addictive and had been shown to cause cancer. The companies (in this author's understanding) hid, and attempted to destroy information that they themselves

had generated and instead fiercely denied publicly that tobacco was either addictive or carcinogenic.

One must imagine that much information relating to public safety is effectively hidden by many corporations. In short, one cannot possibly know or perhaps even imagine the extent of information that has been hidden by private companies or corporations around the globe.

Conclusions

What can one do to be informed about national and international politics? This author has some specific suggestions.

First, start out by assuming that the information you have on almost every political topic is incomplete and slanted in various ways. One should start out with some humility. You and I have much to learn and what we have come to believe may well be incorrect in many ways. Thus one should begin with humility and skepticism.

Be wary of simple explanations. (Slovođan Milošević is responsible for one million Kosovar refugees.) Make a habit of not accepting numbers given out by the media or government to be exactly correct. (I once saw a figure that stated that the civil war in Rwanda had claimed five hundred thousand lives. The next source said two hundred thousand.)

Look for hidden assumptions in arguments presented. (The deaths in Yugoslavia are the responsibility of Slovođan Milošević.)

Finally, be aware of and look for bias. Every country tends to have truths that most of the people have accepted that are at best questionable and every media source has some bias as well.

Clearly, it makes sense to get information from as many different sources as possible. Speaking to people who are directly involved has great advantages but one must be wary of bias here also. Look for informed people whom you trust to think carefully. If one can read from newspapers or other news sources in different countries a more inclusive picture should be obtained.

There is no substitute for having extensive information on individual reporters, writers, newspapers, magazines and other news sources. The Collins Memorial Library (<http://library.ups.edu/research/biasjrn1.htm>) has a ranking of periodicals that you may find interesting. If you wish to get a good general idea about a country I recommend that you look at Freedom House and their ranking and descriptions of countries media treatment.

In the end, however, one must admit that it is difficult to be certain about many things in the international arena. This is not to say that one cannot know anything. Much information is readily available and trustworthy to those who seek it.

But there is much that is not.

The United Nations

Understanding the birth of any organization is usually vital. In the case of the United Nations it is important to understand that the impetus for its creation was the carnage created by what western nations call World War II. The two nuclear explosions at the end accentuated the fear that human kind was going to exterminate itself if something was not done to prevent future world conflicts.

The United Nations was created in the hope that humans could cooperate rather than fight. It was created to improve communications amongst nations; to provide a vehicle to solve conflicts before they burgeoned out of control. It was the second real attempt by humans to create an organization that would represent all of humanity. The League of Nations, envisioned and initially proposed by U.S. President Woodrow Wilson, was a failure because of many reasons, not the least of which was the fact that the United States Senate refused to allow the United States to join. The United Nations was human kind's second attempt to create an organization that would give it the ability to prevent its elimination—by itself.

The Charter (constitution) of the United Nations is a reflection of political realities in 1945 when it came into existence. At the time there was a deep rift between the United States, its allies in Canada and Western Europe, and nations led by the Soviet Union. Stalin, the leader of the USSR at the time, distrusted any international organization and especially one that he believed would be led by western nations. Because it was absolutely necessary to have the Soviet Union and its allies part of the UN, a special branch had to be created that would permit the USSR to have a veto over any major action of the organization. This special part of the United Nations is called The Security Council. Only it can authorize the use of force or economic sanctions against a country. The Security Council also must approve the Secretary General of

the United Nations, the admission of new members, the expulsion of current members and, crucially, any change in the charter (constitution).

There are five permanent members of the Security Council, China, France, Russia, The United Kingdom and The United States; all possess absolute vetoes over any of the functions mentioned above. An absolute veto means that even if all of the fourteen other members of the Council vote in favor, they cannot over-ride the veto.

The USSR (now Russia) would not have signed on without this power. Yet the Security Council has frozen the United Nations often, and, worse, the absolute veto makes it extremely difficult to change the organization to make it more representative of the world and more effective at doing its work.

This is considered by many to be the greatest flaw in the structure of the UN. The Security Council gives great powers to the victors of WW II, but it does not represent the political, social and economic realities of the present world. How can the UN gain respect with the Japanese and Germans when their countries have the same powers as Togo? How can close to one billion people in India accept that their country has the same voting power as Bolivia? No African country has a permanent seat; nor does any country from South America. Moslems resent not being represented also.

This has contributed to the second greatest flaw in the UN structure - its proliferation of Funds and Special Agencies. Since the UN itself cannot really effectively govern, its members have created structures that are more representative of the political and economic realities of today. This is particularly true of the specialized agencies, which are only related to the UN by name in most instances. They are governed by their own charters and controlled principally by the most powerful countries. The major problem is that these Funds and Specialized Agencies have no single organization or person to coordinate their efforts. The result is that there is considerable overlapping of functions, duplication of efforts, confusion, and at times the organizations are working at cross purposes, i.e. the World Bank was funding highways through the Brazilian rainforest while other organizations were trying to preserve it.

Another major flaw in the structure of the UN is that it has no independent source of income. It must rely upon its members to voluntarily pay up dues that they are assessed. The UN calculates the percentage of the world's gross world product that each country produces and levies an assessment (tax) based on that. The United States in 2008 was assessed 22 percent of the UN regular budget and 26 percent for its peacekeeping programs. (Some countries that are in the Security Council are assessed higher fees. Some desperately poor countries pay less.) The difficulty with this is that if a country does not like something the UN does it simply refuses to pay its dues. This is exactly what has happened with the United States. A majority of the Republicans in the U.S. Congress have consistently been displeased with the United Nations and refused to fund the assessments the UN has asked for. The United States now owes (2008) around 1.5 billion dollars to the UN and the Congress seems to be in no hurry to pay up. After all, the UN doesn't vote for them or control their salary.

Another problem is with the General Assembly where all countries are represented equally. All have one vote. The problem with this is that all countries are not equal, especially in population. China, for example, with a population of around 1.3 billion has one vote. Aruba, with a population of a little more than 100 thousand has one vote. India, population of around

1.1 billion has one vote; so does Greenland, with a population of around 60, 000. This means that the General Assembly receives little respect from the larger countries. In some ways this makes sense, since it has little power compared to the Security Council.

Even with the flaws mentioned above the United Nations has been successful in doing many things.

The UN has substantially increased communication between and amongst governments and the peoples of the world and the organizations, both governmental and non-governmental (NGOs) that represent them. There are four major ways that the UN accomplishes this.

First, most governments take the UN seriously and send an ambassador who has substantial authority to represent them. This allows representatives from almost all the countries on earth to communicate with each other formally and informally. The fifteen members of the Security Council must have a representative present at all times in case of emergency. The General Assembly often takes up controversial political issues, debates them publicly and privately, and passes resolutions that express the sentiments of most of the nations of the world. The international media, and the national media of member nations, follow what the United Nations does closely. They, in turn, present this information to their audiences in a way that is hopefully understandable. This enables the citizenry of most countries to become aware of the thoughts and feelings of other people and other countries.

Secondly, the UN continues to bring together people and organizations of the world to communicate and focus on world problems. It sponsors worldwide conferences that bring in experts and interested governments, organizations and individuals from all over the globe. For example, in 1992 the United Nations sponsored a conference called by some "The Earth Conference," more formally called The United Nations Conference on Environment and Development. In 1994, the United Nations Population Fund sponsored a global conference that met in Cairo, Egypt (which has a huge population problem) called The United Nations Conference on Population and Development. In 1995, the UN sponsored a controversial conference in Beijing, China called The Fourth World Conference on Women. In 2007 the UN sponsored another world-wide meeting of all countries and interested organizations on the topic of eliminating all anti-personnel mines. A treaty was concluded in 1997; it banned the production and deployment of all anti-personnel mines. The United States has still not ratified this treaty.

Over the years, the United Nations has sponsored many meetings that have been influential in addressing the most important problems faced by humans. These conferences have, at the very least, increased communications and information in the world community concerning these problems and have been responsible for initiating some coordinated efforts to address them.

Thirdly, the UN has used its good offices frequently to help many countries come to agreements. "Good offices" is a diplomatic term; it means that an impartial third party will use its offices or services to help two or more parties reach an agreement. Often, when two countries go to war or become involved in a serious dispute they cut off diplomatic relations with each other. When this happens it is difficult for the parties to end their dispute because they are not communicating with each other--thus the need for the "good offices" of the UN. The war between Iran and Iraq that lasted almost ten years was brought to an end through the

good offices of the United Nations. Representatives of these two countries refused to speak to each other until just before the signing of the actual agreement. The Secretary General called many meetings where delegations of the two countries would be in the same hotel, but would meet with the Secretary General separately.

The UN has used its good offices to help bring the conflicts in El Salvador, Cambodia and Mozambique, amongst others, to an end.

Finally, the UN has been used informally by many individuals, countries and organizations to communicate by using third parties. The United States and Cuba did not have diplomatic relations for many years, but they were able to use diplomats from Mexico in the UN to discuss many situations where they needed to communicate. The United States for many years considered the Palestinian Liberation Organization (PLO) to be a terrorist group and passed laws making it illegal for any U.S. official to talk to it. Yet in the UN compound in New York City, U.S. diplomats would sit in one office and talk to Jordanians who would go down the hall and convey messages to representatives of the PLO who would then send messages back. (Andrew Young, Jimmy Carter's Ambassador to the UN, thought this absurd and walked across the hall to talk directly to the PLO. He was subsequently dismissed from his position.) During the long negotiations between Iran and the United States concerning the U.S. hostages taken in Teheran much the same type of negotiations occurred. This form of negotiations is not unusual for many members of the United Nations. The fact that virtually all the countries on earth are represented in one physical location makes this possible. One cannot accurately estimate the importance of this phenomenon, but at times it has been very useful.

Peacemaking and Peacekeeping functions:

The United Nations has been very useful in its activity in peacekeeping and peacemaking. "Peacekeeping" usually denotes "United Nations peacekeepers, wearing distinctive UN blue helmets or berets, are dispatched by the Security Council to help implement peace agreements, monitor cease-fires, patrol demilitarized zones, create buffer zones between opposing forces, and put fighting on hold while negotiators seek peaceful solutions to disputes."

Often countries or hostile forces within a given country need an impartial force with international support to separate them or to monitor a boundary between them. Over 1,500 UN people have died in the 49 peacekeeping missions the UN has been involved in. Although it is impossible to calculate how many lives have been saved by these missions, it is safe to say that without them many more lives would have been lost. In 1999 the UN had seventeen peacekeeping operations going on at one time. The best known are the ones in the Middle East, separating Israel from hostile forces in Lebanon and the Golan Heights and separating Iraq and Iran. The longest peacekeeping force is in Cyprus. It began in 1964 and continues today.

In "peacemaking" the UN becomes actively involved in trying to create a peace. Often the Secretary General or one of his appointees will contact both sides and suggest a framework for peace. He will attempt to pressure the involved parties to meet under UN auspices and negotiate. When a peace agreement is reached the UN is often involved in implementing the agreement. Implementation can mean such things as monitoring the demobilization of troops, taking possession of weapons, documenting the return of refugees, conducting elections,

coordinating humanitarian aid and monitoring all aspects of a treaty or agreement. Probably the most involved and successful peacemaking efforts were in Cambodia and Namibia.

Humanitarian Relief:

The United Nations has also been very instrumental in providing humanitarian relief. During a war or natural disaster there is a need to coordinate the efforts of public and private organizations who are attempting to assist. The United Nations Office for the Coordination of Humanitarian Affairs provides this umbrella organization. Two of the best known UN programs that provide emergency relief are the World Food Programme which provides and coordinates food assistance and the Office of the United Nations High Commissioner for Refugees which is in charge of caring for refugees. An organization that is well known for its assistance to children around the globe is the United Nations Children's Fund, better known as UNICEF.

There are a number of specialized agencies that are dedicated to long term humanitarian assistance, but here perhaps the two that are best known are the Food and Agriculture Organization of the United Nations or FAO which assists many countries in developing better ways to grow food or breed animal stock for long-term agricultural development. The World Health Organization or WHO is dedicated to long-term strategies to improve the health conditions in many countries.

The many other special agencies and Funds of the United Nations have provided much more valuable aid to countries, organizations and individuals world-wide. I do not have the time or inclination to examine all that the UN has done, but I urge to look at the UN's home page to find out other information that may interest you.

Politics and Global Poverty

This chapter will look at poverty and its effects on the international political system. First, we will look briefly at some measures of poverty to obtain a broad understanding of its dimensions. Second, we will examine the corrosive effects that it has on the international political system. Third, some of the broad causes of poverty will be examined and finally we will explore some of the measures available to nation-states and the international political system that can be taken to alleviate global poverty.

Global Poverty at a Glance

The organization that has produced the most information about global poverty is the United Nations and its specialized agencies. The agency that produces the most current and extensive information is the United Nations Development Programme (UNDP). I encourage you to visit its website that you can find here: <http://www.undp.org/>. Each year the UNDP produces a study called the Human Development Report. It is this report that I have relied upon for most of the statistics that I will be using.

According to the UNDP, about 2.8 billion people (around 45% of the world's population) today exist on an income of \$2 a day or less. Approximately 1.2 billion live on less than \$1 a day. More than half the population of the world earns less than \$1000 a year total income. For comparison sake, the United States had a per capita (average) yearly income of about \$42,000 in 2007. The world produces enough to feed, house and provide basic amenities to all humans, but material wealth is unevenly distributed. The wealthiest 1% of the world's population receives about as much income as does the poorest 57%. According to the UNDP of the 78 countries (about 80 % of total world population) that keep reliable statistics 48 countries have seen increases in the unequal distribution of income since 1950; 16 have seen

no change and only 9 have seen a reduction. Even in the wealthiest counties there are people who lack housing, adequate nutrition, and available medical care.

According to the UNDP about 11 million children die each year from easily preventable causes. That means that over 25,000 children will die **today** from causes that could have been prevented with minimal resources. In the poorest countries almost 50% of children suffer from a lack of food.

In terms of education, world-wide about 1 adult in 7 is totally illiterate. More than one out of three is functionally illiterate—that means that they can read and write their own names and read some basic words, but they could not read or understand what you are currently reading. About half of the people on earth have no electricity in their homes. They have no indoor plumbing-- which means that they don't have easy access to clean water or toilet facilities.

Global poverty is found everywhere, but it is concentrated in two continents—Asia and Africa. In Asia, two countries, China and India, containing about one-third of the world's population, have made great strides economically in the last twenty years. Others, such as Vietnam, Pakistan, and Indonesia have made little or no progress in this same time period. The worst poverty, however, is found in Africa, and more specifically in sub-Saharan Africa. The poorest country on earth is Niger, most of which is **in** the Saharan desert. Of the 40 million children who have lost at least one parent to the AIDS epidemic about 75% of them live in sub-Saharan Africa, as do almost 90 % of the victims of malaria. Approximately 60% of the adults living in this area are illiterate and over half of the children are malnourished.

There are more statistics that could be presented, but those provided above should give you an idea of the extent and distribution of poverty. However, since most of you who are reading this are, almost by definition not poor, why should you care? What negative effects does global poverty have on you and the international system?

Damaging effects of Global Poverty:

The international system is losing irreplaceable environmental assets because of the poverty of so many of its people. It is also suffering increases in disease, crime, violence, terrorism and losing the potential contributions of billions of productive citizens.

Environmental damage: The damage to the earth's ecological system caused by the effects of billions of people trying to survive by using and depleting often irreplaceable resources is enormous. The effects on the environment are greatly aggravated by the population explosion that is also directly linked to poverty. The world's population increased from about 3 billion in 1960 to over 6 billion in 2000. The greatest increases in population have occurred and continue to occur in poor countries. In 2004 the developed countries slowed population growth to near zero. In the poor countries the growth rate is still near three percent. When women have the knowledge and ability to prevent conception and the opportunity to meaningful employment they voluntarily choose to have fewer children. Women without these resources often have large families. These children are counted on to take care of their mothers in the

future. Poor countries with effective governments have been able to reduce population growth—China and India are prime examples. However, most poor countries lack effective governments. In the broadest sense environmental damage is linked to the population explosion because more people inevitably use up more resources.

One direct effect of poverty is desertification and the resulting loss of habitat for insect and animal species along with the destruction of valuable forest and agricultural areas. Population increases in poor countries have pushed more people to try to convert previous forests and land with poor soil to agricultural uses. The chief method that is used to clear land is to burn it. This increases pollutants in the atmosphere in several ways. It directly throws millions of tons of soot into the atmosphere, contributing to global warming and air contamination. It also reduces the ability of the ecological system to produce oxygen and to clean the air since the crops produced by such slash and burn tactics seldom result in plant life that is equivalent to what was destroyed.

Often the land that is cleared is on hills or mountains. The trees and bushes that are burned are replaced by shallow-rooted food crops. Almost equally damaging is the cutting of trees and bushes for firewood—which is the principal fuel that the poor use for cooking and heat. When seasonal rains come the hills no longer have the ability to anchor the soil. The results are terrible floods that wash away good soil and leave denuded hills and mountains that support very little agricultural activity. In West Africa, soil losses of 10 to 20 metric tons per acre have been noted on slopes with only a small incline. In a real sense the earth's most valuable resources are being washed away.

Water pollution is another effect caused by poverty. As noted above, much soil is being washed into rivers and oceans because of erosion. Also, as more poor land is used for farming more fertilizers and pesticides are necessary to produce crops. These fertilizers and pesticides wash into rivers, ponds, lakes and oceans polluting them.

Much worse is the pollution caused by urban poverty. Most of the poor in Africa and many in Asia and Latin America live in slums that have little or no running water. Human waste and all other pollutants wash directly from these areas into lakes, rivers and eventually the oceans. According to a United Nation's study over 2 billion people now suffer from diseases that are directly related to water pollution. Many of the bays and estuaries on all continents have been significantly polluted—including some in the coastal areas of the United States. This water pollution affects all marine life and indirectly all humans.

Crime: More so than at any other time in world history criminal activity flows across national boundaries and crime is clearly directly related to poverty, both relatively and absolutely.

In many countries of the world the abuse of illegal drugs is causing social and political difficulties. One of the reasons that the drug trade cannot be stopped is because of the profits made by poor people who are the principal growers of poppies, cocoa leaves and marijuana. Poor farmers in the "Golden Triangle" of Thailand, Laos and Myanmar rely on production of poppies to survive—as do thousands of desperately poor farmers in Afghanistan. The coca plant is grown exclusively in South America. It is grown primarily in the higher foothills of the Andes, mostly by impoverished farmers in Bolivia and Peru, but also in Columbia and a few places in Brazil. Most of the coca leaves are processed in Colombia. It is impossible for governments to stop the growing of these crops because the people who grow the crops are

desperately poor and these crops provide them with income necessary for survival. In urban areas the poor, often illegal aliens, are often the ones who sell these drugs.

Kidnapping has become a menace in many countries, especially in Latin America. For the poor, with little to lose, this crime presents an opportunity to both gain wealth and see the wealthy suffer.

Violent crime of all types is much more prevalent in poor urban areas—and the poor are usually both the perpetrators and the victims.

A special type of crime is **terrorism**. While one should not say poverty is a cause of terrorism it clearly provides a breeding ground. The terrorists who were behind the 9-11 terrorist acts were not poor, but their headquarters was housed in the poorest country in Asia—Afghanistan. Poverty and feelings of hopelessness are fertile grounds for extremism of all types, especially religious and political. Probably the most frequent acts of terrorism are carried out by Palestinians against Israelis. The Palestinians are often terribly impoverished and feel helpless against Israel. Again, many people are poor and few of the poor become terrorists, however, it is easier to give up one's life in suicidal attacks if one has little to look forward to.

Relative poverty is also a consideration. Clearly the rich nations have become much wealthier in the latter part of the 20th century and the early 21st. While many of the poor countries have not become poorer in an absolute sense, they have become much poorer relative to the great wealth being amassed by the already-prosperous countries. Although it is difficult to gauge the extent or depth of the resentment of citizens of poor countries, it is clearly there. Related to this is the power that goes with wealth. The wealthy countries can afford large, powerful militaries. They wield great power in the United Nations and in many of the specialized agencies of the United Nations, particularly the International Monetary Fund and the World Bank---which are arguably the two most powerful financial institutions in the world.

The United States of America has become the focus of much of this resentment. The USA is the most powerful country in NATO, the United Nations, The World Bank, the International Monetary Fund, and the Organization of American States. It is also the primary financial, military and political ally of Israel. The poor and the not-so-poor, particularly Arab Moslems, see the United States as the cause of much of their misery. Sometimes the USA is seen as the direct cause of their problems, but often it is blamed for not doing enough to alleviate the problems. People and countries are often blamed as much for not caring and not doing something that is in their power to do as for doing things that directly harm less fortunate people and nations.

Human Underdevelopment: The loss to humanity because of the waste of human potential due to poverty is incalculable. Almost half of all humans alive today are poor. They will never be able to reach their potential because they lack resources. We understand that it is in our interest to educate children in our country so that they will become productive citizens. Productivity is largely a by-product of an educated citizenry—as is democracy. Almost half of the children alive today will receive no more than six years of education.

What new cures for disease could they have found if they had the opportunity? How many more scientific discoveries could these children have made? How many more confident, secure parents would we have if these children could find gainful employment as adults? What

percentage of them would lead honest, productive lives rather than succumb to lives of desperation and crime?

In short, the costs to humanity caused or occasioned by poverty are enormous. We now turn to this question. Why are some people and nations so poor and others so wealthy?

Poor people make poor consumers and inefficient workers

Although this can be overstated, wealth breeds wealth and poverty breeds more poverty. Poor people make poor customers. They cannot purchase things like cars, computers, homes and many other goods and services. Wealthy countries make each other wealthier by being good consumers and efficient producers. They cannot make nearly as much profit from poor countries simply because these countries cannot afford to purchase many of their products. In the same way that a country is well served by having a highly skilled workforce, so is the international system. The more poorly educated, sickly people there are, the less these people can work productively and purchase goods and services from the wealthy.

Wealth is largely created by productivity and productivity is largely created by education and wealth. As a generalization, the poor are not very good consumers because they are not very efficient workers. It isn't that they are lazy, or stupid; they simply don't have the education and the tools that are needed to become efficient. For example, a farmer with tractors, fertilizers, pesticides and a government that will provide him advice and low cost electricity, seed and water is many times more efficient than a farmer without any of these things.

Why should wealthy countries want to lessen international poverty? If the poor had more money the wealthy countries could make a lot more money (profits) from them.

Causes of Global Poverty:

. Historical Causes

One cannot understand poverty or any social condition today, without reference to history. Put simply, most of the countries that are wealthy today are the same countries that were wealthy fifty or a hundred or more years ago. To a certain extent, the present generation inherited the economic and intellectual wealth they have today. In a similar vein, the poorest countries on earth were poor a hundred years ago and five hundred years ago. They have inherited economic poverty.

The industrial revolution began in Western Europe and then spread gradually throughout the world. Today, the wealthiest countries on earth are primarily those same countries in Western Europe and the countries that evolved from them, particularly in North America (the United States and Canada) but also Australia and New Zealand. In the latter part of the 20th Century and continuing into the 21st Century another revolution began, the information and technology revolution. These same countries were the ones who began this momentous change and they are primarily the ones who have benefited from it the most.

Asia, and particularly one country, Japan, caught on to the industrial revolution in the 20th century, and has become part of the technological revolution that is continuing in the 21st century. But economic development has been very uneven in Asia. Japan and Singapore are two of the wealthiest countries in the world today on a per capita basis; South Korea is not far behind. Perhaps the poorest countries in Asia are in Indo-China, including Vietnam, Cambodia, and Laos. Other Asian countries are also extremely poor, including Afghanistan, Bangladesh, Indonesia, Pakistan and others. China and India have made big strides, but still are poor compared to most Western countries.

Latin America, which includes Central and South America and the Caribbean islands of Cuba, and the Dominican Republic, is poor, but not in same category of the poorest countries in Asia. The founding countries of Latin America, Spain and Portugal, were amongst the last countries in Western Europe to modernize. Their ex-colonies in Latin America were likewise behind, but they have the added difficulties of coping with large indigenous populations whose traditions were not suited, in large part, to the changes that modern society required.

The poorest countries on earth are in Africa—particularly those countries in or below the Saharan desert. These countries have been historically poor. In a sense, a country is like a very large, self-contained family. If a family in an isolated area is desperately poor and uneducated, their children will start off that way also. In the continent of Africa, the countries in the Sahara and below had little wealth in the centuries before this one. They do not have the basic economic infrastructure, such as electrical power, roads, ports, communication systems, running water, to allow their people to prosper today. Their educational systems are poor. And they will not have the resources any time soon to improve.

Wealth produces more wealth and poverty tends to breed more poverty. The poor countries of today are being left further and further behind--relatively at least. The people in these poor countries aren't stupid or lazy; they just haven't had the opportunities that those of us in the developed world so often take for granted.

When one looks at particular countries today and tries to explain why they are poor one finds that many factors must be taken into consideration. The educational level of a country intertwines with its political system, which connects to its economic system. "System" is the key word here. Wealthy countries have a highly skilled populace who work with a developed economic infrastructure guided by efficient and enlightened governmental structures. Poor countries have populations with low skill levels, coupled with inefficient political systems and underdeveloped economic infrastructures.

Clearly all of these variables work together and reinforce each other. A wealthy country can afford to educate its citizens. A highly educated populace is more likely to choose government officials who make wise economic decisions. A poor country cannot afford to educate its people. Ignorant people are in no position to choose government officials who will make wise policies. With an inefficient government and a poorly educated population it is difficult to make much economic progress.

With the understanding that these three variables are tightly intertwined, we can look briefly at each of them separately before we come back to looking at their interaction.

Human Knowledge

There is a clear correlation between knowledge and wealth. The countries that have the best-educated people tend to be the wealthiest. Those whose population is the least educated are the poorest. In Western Europe, Canada, the United States and Japan the literacy rate is estimated to be 99%. In Saharan and sub-Saharan Africa the literacy rate is about 40%. However, of the 40% that are considered literate more than half are estimated to be only semi-literate, that is, they can read a few hundred words, but they cannot read or clearly comprehend a newspaper article.

The modern economies of today are powered by educated, highly-skilled people who use sophisticated technology and equipment. The least developed countries do not have the economic ability to educate their people. And without education these countries will not be able to produce enough wealth to provide much education for future generations. Worse yet, there is a brain drain. Educated citizens in the poorest countries often leave to make more money in the developed countries. They then bring their relatives along with them.

Unfortunately, education takes money, the thing that poor countries, by definition, lack. Building schools, educating and paying teachers are absolute necessities for economic development. Yet economically undeveloped countries do not have the wealth to provide even basic education to most of their citizens.

The wealthy countries of the 21st century-- with the exception of a few who discovered that they were sitting on oil wells—are democracies. Democracies, in turn, do not function without an educated populace. If poor countries could educate their citizens they would stand a chance of breaking out of this vicious cycle.

Economic Infrastructure

There are clearly certain economic structures that are necessary for progress. A country cannot produce much of anything unless it has electrical power. You don't have to think very hard to imagine things that would be impossible without electricity. None of our houses, businesses, schools, or factories could function. The transportation infrastructure is equally important. Where would we be without roads or airports, trains and sea ports? How quickly would commerce work without telephones and computers—not to mention trucks, and airplanes? Communication systems, especially information technology, are also extremely important. Imagine where we would be without our telephones, televisions,

radios and computers? All of these require investments in infrastructure for optimal functioning.

The power, transportation and communications systems are the backbones of modern economies. They work together to produce wealth.

They are all very expensive—both to build and maintain. One of the many errors that the World Bank and other international institutions made in the 20th century was to concentrate on building the essential infrastructure mentioned above. However, power plants, roads, airports, dams and other worthy projects were often failures because they were not **maintained** after they were built. One would think that maintenance costs would be affordable, but often poor countries have other, more urgent priorities or their governments simply were too inefficient and corrupt to bother with simple repairs.

This is one reason that wealthy countries are becoming much wealthier relative to poor countries. Countries which have these basic economic resources can afford to invest more to get more powerful, efficient and numerous power plants. They are continually investing more in their transportation, communications and educational systems. In a very real sense poor countries are being left in the dust as the modern societies roar past.

Corrupt and Inefficient Governments

The wealthy countries of the 21st century-- with the exception of a few oil-wealthy countries—are democracies. In fact they have been democracies for many generations. Largely due to their democratic political systems, the governments of these countries are relatively efficient and honest. Conversely, countries with authoritarian governments are almost always corrupt and usually, but not always, inefficient.

Democracies tend to have sound economic systems for several reasons. It is almost impossible to have a functioning democracy without an educated populace. If the population is educated it is also likely to be very economically productive. There is another factor that is probably even more important to sound economic policy in most democracies—competition. Almost by definition, democracies produce a competition of ideas. Leaders who are in power when countries do poorly economically usually get voted out. This brings in new people who try different policies. If these policies don't work, they, in turn, are voted out. Citizens in democracies may not know what should be done economically, but they do know when things are not going well and they tend to hold the party or group in power accountable. This competition of ideas has proven highly conducive to creating better economic policies. Also, political competition tends to uncover corrupt politicians and holds them accountable for their actions.

The successful democracies of today have a democratic culture. Citizens in democracies are used to making decisions by voting. They accept the fact that many issues they support will not be put into effect by government. These countries have a tradition of what is called the loyal opposition, that is, there are political parties and other organizations that accept the fact that they have lost elections and still support the current government. The governments in most very poor countries are largely authoritarian or marginally democratic. In these countries political parties and organizations who oppose the government stand to

lose everything. In these circumstances it doesn't pay to be part of a loyal opposition. Governments who don't have to worry about losing power are almost always corrupt. If one can commit crimes without being concerned about being arrested and punished.... Also, the economic systems tend to stagnate. Since the rulers have instituted the failed economic policies, and they personally are living well, they have little inclination to change things.

Two examples of autocratic governments which have produced disastrous economic policies are Cuba and North Korea. Cuba has been led by a dictator, Fidel Castro, for over fifty years. Once the economic leader of the Caribbean and one of the wealthiest countries in Latin America, Cuba is now one of the poorest countries in the hemisphere. No doubt some of this poverty can be explained by the economic boycott by the USA, but most of the blame has to be placed on the inefficient socialist economy forced on Cuba by Castro and his followers. North Korea is now one of the poorest countries in the world. Led by Kim Jong Il, who is the son of the former dictator, the country has been kept isolated from the rest of the world and its people have been impoverished by disastrous economic policies. There are reports that over half of the North Korean population is malnourished and that hundreds of thousands have died from hunger.

There is not a one-to-one correlation of democracy with economic development, however. Some democracies remain quite poor. Costa Rica, for example, is arguably the most democratic country in Latin America. It certainly has the longest string of continuous democratically-elected governments in Latin America. Yet it is still poor and has not done much better than other countries in the region which have had autocratic government until recently. Chile, in fact, became the most productive country in South America under the stewardship of a dictator, Augusto Pinochet. In Asia, the country that has experienced the most rapid economic growth recently has been China, which continues to be led by the communist party, which is hardly a democratic institution.

Still, over time democracies have produced the most stable, honest governmental systems and have, at the very least, allowed their economic systems to prosper.

Internal Ethnic and Religious Conflicts

Internal ethnic and religious conflicts often make economic, political and social progress impossible. Democracies are sometimes impossible if the majority will clearly discriminate against the minority. In the worst cases civil wars have gone on for decades. In less-severe situations, the conflicts make it difficult for minorities to advance because of persistent discrimination.

The longest continuous civil war occurred in Sri Lanka, an impoverished Asian country that is situated right off the southern tip of India. The predominantly Buddhist Sinhalese majority has been fighting organized elements of the Tamil ethnic group that is mostly Hindu for over fifty years. In 2009 the civil war reportedly ended with the victory of the central government forces over the Tamil minority. It will take decades for this country to recover, however.

Africa is the continent that suffers the most from civil conflicts. Civil wars in many of the poorest countries have made economic progress difficult, to say the least. Rwanda and

Burundi have two major ethnic groups who have been killing each other for years—the majority Hutus and the minority Tutsis. In 1994 the Hutu majority rose up and slaughtered hundreds of thousands (some reports say 2 million) Tutsis in Rwanda in a hundred-day massacre. Since that time Tutsis have regained control of both countries, but violence continues daily. The conflict in Rwanda spread into the neighboring country of Zaire when the dictator of that country was perceived by the Tutsis as being sympathetic to the Hutus. A Tutsi-led rebellion overthrew Sese Mobutu, the dictator of Zaire, in 1996. Zaire, subsequently named, the Democratic Republic of the Congo, (the name is a great irony) has been in civil war since that time. The Sudan and Somalia have ongoing civil wars that have lasted over twenty years. The civil war in Angola lasted for over a quarter century. Today the supporters of both groups still tend to view each other with hatred.

The worst ethnic problems in the world today occur in Africa. Most African countries were created in the 20th century by European countries that drew up more-or-less arbitrary maps and then called these areas countries. Most of these newly-created countries included ethnic groups who had hated each other for many generations. It should be understood that these tribes or ethnic groups do not fight each other for unimportant reasons. They fight for land, for water, for the ability to take care of their families. Nonetheless, these civil conflicts are a major reason for the ongoing poverty in much of Africa.

Economic and Political Policies by Wealthy Countries

Some of the economic and political policies by wealthy countries have made it more difficult for some of the least-developed countries to improve. Although these policies are numerous, there are a few that stand out.

The 20th century saw the erection of very effective border controls by wealthy countries. The poor in Latin America, Africa and Asia have not been able to escape their countries and seek better lives. Much poverty in Mexico, for example, was alleviated by the remittances sent back by Mexican immigrants in the United States. Today, the United States has been much more effective at stopping that immigration. Similarly, the countries of Western Europe have been able to prevent many Africans from immigrating. Thus, many poor have no outlet, no way of escaping the horrible poverty that surrounds them.

For most of the 20th century the United States and Western Europe did little to bring democracy to Africa or Latin America. They were content to deal with dictators as long as these dictators were opposed to the USSR and its brand of communism. In fact, the United States was involved in overthrowing democratic governments in Iran and Guatemala in the 1950s because they appeared to favor socialism. In Chile the United States supported the military overthrow of a democratically-elected government and then helped the military consolidate its control. Still today, some of the closest allies of the United States, other than Israel, in the Middle East are Saudi Arabia, Jordan and Kuwait—all monarchies.

From the perspectives of many, the wealthy countries of the world have not shown much concern with authoritarian governments as long as those governments do business with them. More certainly there has been little in financial assistance provided to help countries democratize.

Arguably, the most damaging economic practice by wealthy countries is their imposition of tariffs on agricultural commodities and their subsidizing of domestic agricultural interests. Estimates are that the developed countries now spend about 300 billion dollars a year on direct and indirect subsidies to farming interests. This represents about six times the amount of developmental foreign aid given by these countries. The United States gives out about 10 billion dollars in direct cash subsidies to farmers each year and about the same amount in indirect subsidies. Economic foreign aid grants to all countries equaled about 12 billion dollars in 2003. Western Europe and Japan also spend billions subsidizing farm crops. What the wealthy countries do with these subsidies is essentially guarantee that most farmers will make a profit. Often governments will guarantee a floor price for corn or cotton or dairy products for example. That is, the governments will purchase all of a crop at a certain price. What happens is that large surpluses often occur and wealthy countries end up purchasing large amount of agricultural products that their countries cannot consume. They then sell the excess on the international market, depressing the world market prices. Farmers in Africa, and Latin America often are faced with domestic and international prices that don't cover their costs of production. Protectionism and subsidies in industrialized nations cost developing nations about \$40 billion per year in lost agricultural and agro-industrial income according to the International Food Policy Research Institute (<http://www.ifpri.org/>).

What the industrialized countries have done is force the developing countries to open their markets to manufactured goods and to services. What often happens is that manufacturers in poor countries are forced to sell their businesses to huge conglomerates from the West because they cannot compete. Worse yet, the industrialized countries have insisted on observance of the protection of intellectual property. Microsoft has made billions of dollars in profits because poor countries cannot sell copies of its software. Likewise, Western chemical and medical producers have been protected from copying. This has pushed up the price of medicine, food, computers and all types of software and other technological goods and services to poor countries.

The poor countries of the world have little power. They cannot make favorable international trade rules because they don't have the political power to do so. The industrialized countries of the world have had a hand in keeping the poor countries from pulling out of poverty.

International Policies Necessary to Reduce World Poverty

Following the discussion above it becomes apparent that it is in the self-interest of the wealthy developed countries to reduce world poverty. It is also easy to see some things that can be done to alleviate this poverty. Some steps such as reducing farm subsidies and trade barriers to agricultural goods are obvious. Other measures are less so. Below is a brief discussion of some of the most frequently mentioned steps that can be taken to address the poverty of so many of the world's people.

Agricultural subsidies and tariffs do great harm to poor farmers around the world. Eliminating them or reducing them would benefit all consumers, whether they reside in wealthy or poor countries because free trade would decrease the price of food for almost everyone. It would be a significant help to the poor in the developed countries as well since poor people are forced to spend a large percentage of their income on food.

Democratic governments and basic education clearly go hand in hand. One cannot have one without the other. This requires an integrated approach by the international community. It must try to help educate citizens even in autocratic countries, but much of this money will be wasted if educated people are not allowed to change inefficient governments. Clearly pressure must be applied in many forms to different countries to allow political modernization. This is best done when there is wide-spread international cooperation. One of the most successful international efforts was the economic sanctions placed on the country of South Africa by the European Union and partially by the United States and other countries. South Africa had discriminated against the majority black population for over three centuries. The pressure put on by the international system convinced most of the white population in South Africa that they needed to allow black Africans in their country full political rights. An integrated South Africa is now the most productive country in Africa and provides the best standard of living for black Africans in the continent.

Similarly the pressure and eventual military action by NATO in the countries that formed the old Yugoslavia has allowed the creation of free, democratic countries in the Balkan region of Europe.

Tragically, most of the wealthy industrialized world has ignored sub-Saharan Africa. Much more can be done to further democracy and provide economic assistance for basic economic infrastructure. The United Nations and its specialized agencies are the logical choices to coordinate the efforts to bring this area out of abysmal poverty. Clearly, any type of help from charitable organizations or individual governments can make a difference, but coordination of overall policies is needed.

Of all the International organizations linked with development policies the World Bank is one of the organizations best positioned to coordinate development monies. The World Bank has a good record of demanding accountability from recipient nations, including its policy of transparency which requires countries to provide open books or accounting for all of the money loaned to it. This institution also does regional analysis of needs and develops statistical data to measure improvement or the lack of it. The International Development Association, one of the World Bank's Group organizations, lends out money to the poorest countries with no interest, with a grace period of ten years and up to 45 years to pay back the loans.

Many citizens of wealthy countries argue that giving money to poor countries is ignoring the needs of their own country. One thing that has been emphasized in this writing is that the fate of the poor is intricately linked to the well-being of wealthy countries. Also, many citizens of the industrialized nations are of the opinion that their governments give a great deal in foreign aid. The reality is that very little is given in relative terms. The United States, for example, has given about 13 billion dollars or so in grants to poor countries each year from 1999 to 2002. That figure represents less than 1% of the budget of the U.S. federal

government. About 90% of the aid given by the United States must be spent on U.S. goods or services.

Foreign Policy Magazine and an international organization called **The Center for Global Development** created an index that rates the 22 most developed countries' efforts to improve the economic and social conditions in the world's poorest countries. The United States ranked 17th on this list. <http://www.cgdev.org/section/initiatives/active/cdi/>

A report issued in 2009 said this about the foreign aid given by the United States: "U.S. foreign aid is small as a share of its income and it "ties" a large share of this aid to the purchase of U.S. goods and services. The United States also has the lowest gas taxes and among the highest greenhouse gas emission rates per person. It is the only CDI country that has not signed the Kyoto Protocol."

http://www.cgdev.org/doc/CDI/2009/country_reports/US_2009.pdf

Most wealthy countries prefer to give foreign aid in the form of bilateral grants to countries they are friendly with. The problem with this is that there is little accountability and frequently little coordination with aid given by other countries or organizations.

Perhaps the most significant thing that can be done to help the poor countries in the world is to educate the citizens of the developed countries that it is in their self-interest to help these countries and citizens. Providing poor countries with basic developmental assistance (money is not the only form of assistance) will eventually allow them to be able to take care of themselves and assist the rest of the world in many ways.

The International Monetary Fund

The International Monetary Fund (from here on called the IMF) is arguably the most powerful financial institution in the world today for less developed countries. It was established at the end of World War II to help stabilize currency transactions amongst all countries of the world. In broad terms the IMF is "a cooperative institution that 182 countries have voluntarily joined because they see the advantage of consulting with one another in this forum to maintain a stable system of buying and selling their currencies so that payments in foreign money can take place between countries smoothly and without delay." (Quote taken from the IMF website)

In order for business to be successful, individuals and companies need to be able to convert currencies easily and have the assurance that the value of different currencies will remain relatively stable. This, essentially, is the overall objective of the IMF--to keep the world's currencies stable so that people and organizations can do business.

Presently, no major currency is backed by gold, silver or any other precious metal. Each country can produce as much, or as little, of its currency as it chooses. Irresponsible or foolish governments have often printed great amounts of their currencies in order to meet popular demands. The effect of this, however, is to devalue the currency in terms of other currencies. If money production continues, a particular currency can lose all of its value in foreign markets because banks and other institutions will refuse to accept it or to exchange it.

The currency of a given country is somewhat like a stock in a company. The value of a currency, like a stock, is determined largely by expectations. If a country has an honest and efficient government, and has pursued sensible monetary and fiscal policy in the past the value of its currency will usually remain stable or increase over time. When the international community begins to lose confidence in the government of a given country and the management of its money supply, the value of its currency tends to plummet. When this happens the country will find it difficult to buy things from other countries and its own economy begins to suffer.

This is exactly what happened to Mexico in 1994. It is occurring to different degrees to Russia, Argentina, and a number of Asian countries at the beginning of the 21st century. For the USA and other countries this is very bad news. The many businesses that sell to these countries see a loss in profits which causes them to lay off workers. Also, many U.S. businesses and individuals have investments in these countries and therefore they lose money when these countries do poorly economically.

The IMF has been the primary institution that has addressed the immediate problems. Along with the United States, the Western democracies, and the World Bank, it has assisted, or is now attempting to assist these economies. The IMF has helped the United States bring stability to Mexico, stop the panic in Brazil (a major customer) and begin to reform the economies of many Asian countries that the USA does business with. In short, the IMF has helped bring stability to the world economy—at least in the opinion of most observers. As stated before, stability is an absolute must for economic progress.

The greatest power of the IMF, however, has emerged only in the past twenty years or so. In effect, the IMF has become the "lender of last resort" for less-developed countries. Countries that are having severe problems with the international value of their currencies (if the problems are severe enough countries and international financial institutions refuse to accept a currency as payment) negotiate with the IMF for a loan. If they do not come to an agreement with the IMF their international credit becomes almost worthless. This means that businesses who were thinking of investing in this country put their plans on hold and other businesses will often begin pulling out their investments. It also means that national and international banks will usually no longer extend credit to the country or to many of its businesses. It is very much like what happens to an individual who has bad credit. Everything must be paid for in cash.

It has become one of the most powerful financial organization in the world by requiring countries to change their economic policies in order to qualify for loans. When the IMF makes out loans it does so based on certain conditions. These conditions force countries to be more honest and open and change economic policies to a more open-market or Capitalistic approach. The IMF describes what it does in these words (amongst others): ***"The IMF lends money to members having trouble meeting financial obligations to other members, but only on condition that they undertake economic reforms to eliminate these difficulties for their own good and that of the entire membership."***

The reforms (called **conditionality** by some) that the IMF demands vary from country to country, depending upon the situation. The IMF will reach agreement with the country asking for the loan. These agreements create policies that are often called **Structural Adjustment**

Programs (SAPs). SAPs are very controversial. Some have been very successful, others less so.

The first requirement of a loan from the IMF and many other organizations is **transparency**. This is a simple term, but its requirements are often difficult to meet. Transparency means that a government must have open books, that is, that the borrowing country must keep exact and detailed records of **all** of its spending, its revenues sources, its assets and liabilities. And those records must be open to the international community. As you might guess, transparency is designed to prevent money from going to the wrong hands and to ensure that clear, exact economic statistics are being collected so that they can be measured initially and then evaluated for future changes. The IMF has published a Transparency Code for monetary and financial practices and a code for Fiscal (budgetary) practices to explain what it means exactly.

The second requirement that the IMF imposes is a tight or severely regulated monetary policy. "Monetary policy" means governmental policies relating to the growth of the domestic money supply. Often the reason that a country must get a loan from the IMF is that it has greatly increased its domestic money supply -- or the international community fears that it will do soon do so. When the domestic money supply of a country increases too rapidly, the value of that currency declines. At one point, for instance, the value of the Nicaraguan currency declined by over 10,000 % in a year--there was an inflation of 10,000%. In 2008 the inflation rate in Zimbabwe was reported to be 100,000% ! In order to restore confidence in a currency a country must adopt transparent policies that will slow down the increase in its domestic money supply.

The IMF will often recommend that a country set up an institution that is not directly controlled by the current government to control the money supply. The most stable currencies of the world are all controlled by organizations that are very independent of the governments of their countries. The United States, for example, has the Federal Reserve, Germany has the Bundesbank; The United Kingdom has the Bank of England. The worst setup is to have the money supply controlled completely by politicians who have short terms of office. Can you imagine the U.S. Congress controlling the money supply?

Thirdly, the IMF will usually recommend changes in the government's fiscal policy or the budget so that the government is spending less and collecting more. It is difficult to impossible to control inflation if the government is spending a great deal more money than it collects. In any budget there are two sides, spending and revenue. Generally, spending must decrease and revenue (taxes) must increase. The IMF's specific recommendations in these two areas are often the most controversial because they can greatly change the most important governmental policies.

On the revenue side, tax increases are suggested in consumption areas (sales taxes) and on individual incomes. As you can imagine, increasing taxes on gasoline, clothing and almost all retail goods will affect the entire population and is seldom popular. Increasing taxes on incomes tends to affect the wealthier elements of society who are usually politically influential. Also, the IMF usually recommends cuts in business taxes to encourage business growth and foreign investment.

Even more controversial are the painful changes that the IMF recommends in government spending. Usually cuts in military spending are one of the first recommendations. Military

spending adds almost nothing to the overall productivity of a country and diverts valuable human, financial and natural resources away from economically efficient areas. Many governments have bloated bureaucracies that need to be cut. This means that many government workers will need to be fired. Also, many governments own and operate industries that are privately owned in other countries. Industries such as communications and electric power are often operated by a government monopoly. Extractive industries such as coal, copper, tin, oil and other natural resources are often owned by national governments and so poorly run that they invite corruption, high prices and government losses of revenue. The IMF usually recommends that these industries be *privatized*, that is, sold by the government to private companies and then taxed. This should result in more efficient industries and increases in government revenues.

The IMF usually recommends that government increase its spending in education in order to increase human capital. In the same area, it will recommend increased spending on health areas such as birth control programs, inoculations, health clinics and preventative medicine. It also urges governments to increase spending on economic infrastructure such as roads, airports, bridges, ports and railroads.

Fourth, the IMF will often make very specific recommendations to governments about subsidies and price fixing or setting. Often governments will give certain industries subsidies in the form of tax breaks or direct grants. For example, many countries will give tax breaks to certain industries because they are deemed necessary or the people in them have political influence. (Japan does this for its rice industry. Panama did it for bananas.) Many countries also set prices for basic goods such as oil or flour. When the prices are too low government must buy these goods from other countries and domestic production goes down because local farmers or producers cannot make a profit growing or making the products. Subsidies almost always cost governments a lot of money, therefore making it difficult for the government to control spending—which contributes to inflation and further devaluation of the currency. Subsidies, by definition, interfere with the operation of the free market. When this happens there are almost always harmful side effects that hurt the economy in the long run. For example, if a country gives subsidies to farmers it tends to reduce the effects of foreign competition and makes domestic farmers less productive in the long run. It may also have the effect of producing too much agricultural products which means that the country's resources are not being spend productively. Countries like the Philippines subsidized the cost of gasoline by reducing the prices to consumers and paying the differential out of governmental expenditures. This tended to make the usage of gasoline go up and the costs to the government kept rising. Subsidies can make sense in the short run, but in the long run they can produce large unintended negative consequences.

IMF recommendations are usually very unpopular with the people of a country, especially those who were immediately hurt by changes in policies. Also, the IMF has made mistakes by pushing for policies that made long-term sense, but in the short term pushed some economies into recession and thus harmed almost all elements in the country.

The final recommendation that the IMF has is similar to what the World Bank and the WTO recommend--free trade. The IMF usually promotes the free flow of goods, services, and capital into and out of countries. This last recommendation is designed to allow the efficiencies of the free enterprise system to improve economies. Local businesses can be bought out or affiliated

with multi-national corporations. Foreign companies are more likely to create businesses and invest in countries that allow them freedom to operate. Inefficient local companies are forced to change or go out of business.

There are major problems with this last recommendation. Free trade almost always means that local companies are put out of business by multinational corporations. Less local people own their own businesses and more work for large corporations. The national governments lose control over much of their economies. Finally, it tends to make the problems with contagion much worse. Since international investors and companies now have more investments in developing countries they can create havoc if they decide to leave or cut their operations. If international investors become afraid by say what happened in Indonesia, they start withdrawing money from many Asian countries, damaging all of them. This is what happened in the Asian financial disaster that occurred at the end of the 20th Century. Many corporations and investment companies reduced their investments in Asia at the same time, causing an enormous recession in most of the continent.

The IMF is called a "Specialized Agency" of the UN. In reality it runs itself and has its own charter. It is essentially controlled by the wealthiest countries in the world. Voting power in the IMF depends upon the money that a country has deposited in the institution. It is an institution that is controlled by its owners. The United States currently holds about 18% of voting authority. The IMF does nothing major without the approval of the USA and its friends and allies in Western Europe and Japan.

In 1998 the USA increased its contribution to the IMF by about 17.9 billion dollars. This contribution is not lost. The U.S. government will have access to these funds in the future, much like a person who puts money in a long-term bond. The contribution will also increase the voting power of the United States in the IMF. More importantly, the increased contribution signals continued support for the IMF by the United States. This support is crucial to the IMF's maintenance of credibility and power.

Finally, it should be noted that much of the money that the United States gives to the IMF returns to the United States because the countries who receive IMF loans use much of it to repay the debts they have to Western banks and financial institutions. This is one of the reasons that the IMF has received such support from the Western banks. It is the major institution that has bailed them out of some of their worst mistakes.

The World Bank

The World Bank is a term that is used to describe the International Bank for Reconstruction and Development or the IBRD. The other four institutions in what is called The World Bank Group are called "affiliates". The five institutions that constitute the World Bank Group are the following.

Please note that the following has been copied directly from one of the World Bank's sites.

The International Bank for Reconstruction & Development (IBRD)

Provides loans and development assistance to middle-income countries and credit-worthy poorer countries. Voting power is linked to members' capital subscriptions, which in turn are based on each country's relative economic strength. The IBRD obtains most of its funds through the sale of bonds in international capital markets.

The International Development Association (IDA)

Provides interest-free loans to the poorest countries. The IDA depends on contributions from its wealthier member countries - including some developing countries - for most of its financial resources.

The International Finance Corporation (IFC)

Promotes growth in developing countries by providing support to the private sector. In collaboration with other investors, the IFC invests in commercial enterprises through both loans and equity financing.

The Multilateral Investment Guarantee Agency (MIGA)

Helps encourage foreign investment in developing countries by providing guarantees to foreign investors against loss caused by noncommercial risks. It also provides advisory services to help governments attract private investment, and disseminates information on investment opportunities in developing countries.

The International Centre for Settlement of Investment Disputes (ICSID)

Helps promote international investment through conciliation and arbitration of disputes between foreign investors and their host countries.

Of these five institutions by far the most powerful in terms of money loaned out is the IBRD. It is generally called "The World Bank;" the other financial institutions are called "affiliates." Please read an excellent description of what it does in its own words that you will find here: <http://www.worldbank.org/html/extdr/backgrd/ibrd/role.htm>.

Notes on the World Bank

The World Bank was created originally primarily to finance development of the Western European countries that had been ravaged by WW II. When that task was largely finished it turned to the task that it has had ever since: to reduce poverty by promoting sustainable economic development in less developed countries (LDCs). It does this in a variety of ways, which I will mention below. However, it has become a major player in the World arena principally because of the function it shares with the IMF. That is, the World Bank, and its affiliates, are involved in changing the economic and political structures of many countries indirectly and directly by the conditionality placed on its loans, by the type and direction of the economic and governmental activity they encourage and, crucially, their decision of whether or not to grant loans. Along with the IMF, the World Bank is highly respected. If it refuses to loan

money to a particular government this is taken as a sign to the international financial community that the country is not to be trusted. In an informal sense, the World Bank and the IMF can establish, support, or greatly damage the credit rating of a country. By itself the World Bank, or one of its affiliates, can do the same for a lower-level government within a county, a particular economic sector or even a specific business.

One of the best examples of this was Peru. It decided to stop payments on loans made out to it by the IMF and World Bank in the 1980's. Peru soon became an international economic pariah, its currency became almost worthless, and it soon plummeted into an economic depression and domestic political upheaval. At its worst, the Peruvian economy declined by almost a third in a three-year period from 1986 to 1989; its inflation rate in 1989 was estimated to be in excess of 2,600 %. (I do not wish to suggest that the major cause of all of this difficulty was that the Peruvian government did not cooperate with the IMF or the World Bank. Rather, the major factors were that it ignored their advice and used disastrous fiscal and monetary policies.) One of the first things that the new president, Alberto Fujimori, did in 1990 is to consult with the World Bank and the IMF along with other financial institutions. Based on their recommendations and those of many others Peru turned around its economy. Peru is now paying off its debts and receiving new credits from the World Bank and other financial institutions. It is once again deemed to be credit worthy.

Private investors, who possess much more capital than the World Bank, require this informal credit rating before they risk investing.

The World Bank and its affiliates make out loans to countries, lower-level governments and to the private sector. However, before any loan is offered the Bank does an enormous amount of work that has proved to be of significant value to the international community.

One of the most important things the bank does is to collect reliable information. Before it constructs a plan to assist economic development in a country or a region it pushes and assists these countries to collect data that will allow it to measure progress or failure. For example, if a country does not know its birthrate, population, or the percentage of its citizens suffering from malaria or AIDS, it cannot evaluate the success of a World Bank-funded program to set up clinics to provide health and birth control information along with preventative medical care to its people. The World Bank is perhaps the preeminent organization in the world that collects and helps to collect information about the health, education and economic status of the world's human population. As you read different articles and documents you will often see references to World Bank data.

It should be emphasized that the IBRD provides an invaluable service to these countries by helping them become aware of the things that need to be done to have sustainable economic development. It studies an individual country exhaustively and, based on successes in other countries, make strong recommendations as to what needs to be done to promote economic development. It lends the country much of the money needed to carry out these recommendations and supervises the completion of the project.

The World Bank does not just sit back and hope that these projects or programs are successful. It supervises progress at every step, providing its advice and expertise as needed. In many cases it is the agency that hires the companies that will do the studies and the actual work that needs to be done to complete the project. It is a hands-on bank that leaves little to

chance and watches carefully to see that the money it has loaned out is actually spent where it should be and does not turn up in the pockets of corrupt politicians.

The International Bank for Reconstruction and Development (IBRD) is the most powerful and well-funded of the World Bank Group. Its primary objective is to promote sustainable long-term economic growth by making out loans to developing countries for projects or programs that it has deemed to be necessary for economic development. It obtains funds for loans by issuing bonds which financial organizations and individuals purchase. The IBRD loans exclusively to national governments in developing countries (countries whose per capita yearly income falls somewhere between \$1,000 and \$9,000) and its loans are often in the range of hundreds of millions of dollars. It does not loan out money to the economically developed countries (EDCs) or to the poor countries--those with per capita income of less than \$1,000.

The IBRD used to fund almost exclusively very large projects that were needed to bolster the economic substructure of countries. That is, they funded roads, railroads, ports, bridges, dams, irrigation projects, electrical power generation, communications systems and other such projects that were necessary for basic economic production. In the 1970's and early 1980's the Bank came under withering criticism for ignoring two principal things: the environmental effects of its programs (again, building roads into the Brazilian rainforest) and the development of human resources through funding education programs. Since that time the Bank has corrected this and now actively recommends and funds these areas.

The International Development Association (IDA), an affiliate of the IBRD, loans out money to the poorest countries on earth. "IBRD and IDA are run on the same lines. They share the same staff, the same headquarters, report to the same president and use the same rigorous standards when evaluating projects. IDA simply takes its money out of a different "drawer." A country must be a member of IBRD before it can join IDA; 160 countries are IDA members." These loans have the same objective as the ones made out by the IBRD, that is, long-term sustainable economic development. The IDA does not charge interest for its loans and charges only a nominal fee for administration.

"IDA lends only to those countries that have a per capita income in 1996 of less than \$925 and lack the financial ability to borrow from IBRD on market terms. At present, 79 countries are eligible to borrow from IDA. Together these countries are home to 3.3 billion people, comprising 69 percent of the total population of the developing countries. Today, 2 billion of these people survive on incomes of \$2 or less a day."
(<http://www.worldbank.org/html/extdr/ida/ida.html>)

The IDA makes these claims: The following was copied directly from the IDA's website.

IDA's Impact on Poverty

IDA attacks poverty through a broad range of projects, including projects targeted on human resource development such as education, health, population and nutrition, and water supply and sanitation (33%), agriculture and rural development (23%), and the provision of infrastructure (23%).

IDA also contributes to poverty reduction by advising governments on the best policies for attaining broad-based economic growth. IDA supports governments as they eliminate wasteful

public enterprises and central government controls on business, and as they open up markets and encourage private investment.

Thanks to the IDA:

African pupils have received over 6 million textbooks.
Enrollment in rural schools in Bangladesh has risen by 22 per cent for boys and 33% for girls
In 6 of Africa's poorest countries , more than 300 rural health clinics have been built or rehabilitated.
7,000 classrooms in rural Bangladesh have allowed twice as many girls to enroll in school
In Bolivia, 230,000 low-income people (mostly women and youths) have received vocational training.

The International Finance Corporation (<http://www.ifc.org/about/>) is another affiliate of the IBRD. It specializes in loans to the private sector. "Its particular focus is to promote economic development by encouraging the growth of productive enterprise and efficient capital markets in its member countries. " (<http://www.ifc.org/about/>) The World Bank often recommends that poor or developing countries "privatize" that is, sell off enterprises that the government has been operating poorly. The IFC often helps private companies with the capital to purchase these enterprises. Usually the IFC works with other banks and financial institutions; it seldom is the sole lender to private companies.

It should be noted that these three banks in the World Bank Group work together. They share an overall plan; that is, they will determine what it is a country needs for development and then the IBRD or the IDA will loan funds to the government and the IFC will determine what private industries merit help. Again, if the World Bank Group is actively involved in a particular country, it is a sign to multinational corporations and private lending institutions that this country is worth investing in.

Why the wealthy nations of the world like the World Bank

EDC's (economically developed countries) like the World Bank for at least three good reasons. First, like the IMF, the economic policies that the World Bank recommends are usually those of capitalism or the free market. The EDC's dislike socialistic countries for many reasons, but a primary one is that socialistic countries often do not allow the multi-national corporations of the EDC's to do business within their borders. When developing countries start implementing free market reforms they open themselves up to the multi-nationals that are centered in the EDC's. Companies like Coca Cola, McDonalds, Hilton Hotels, and many large U.S., European and Japanese firms expand rapidly into these countries and start making profits. Some of these profits go back to the EDCs directly in the form of increased profits of the company that is paid out to shareholders. Some of the profits are plowed back into the businesses giving them more power and a high probability of increased future earnings. In short, the World Bank helps open up countries to the businesses of the EDCs.

Secondly, much of the money lent goes back to the EDCs when the World Bank Group hires multinational corporations to provide expertise and services that are not available in poor or developing countries. The World Bank attempts to get the countries that are taking out loans to

provide all the recourses that it can within the boundaries of that nation. Equipment and services that cannot be provided are often fully funded by the Bank. This means that the Bank will loan out money to developing countries for economic development but in many cases the money that has been borrowed gets spent on businesses in EDCs. Much of the money originally given to the Bank by the wealthy countries is returned in the form of increased orders for businesses within these countries.

Finally, the IMF and the World Bank increase the political power of the USA and other developed countries. Voting power or control of the IMF and the World Bank is dependent upon the money that each country has deposited. Since the USA and the other EDCs have a majority of deposits, they greatly control these financial institutions. Russia, for example, must always take into consideration that the USA and its allies control most of the loaning activities of the IMF and the World Bank. Russia needs assistance from both institutions. It therefore needs to be on good terms with the USA and other EDCs. This is true of South Korea, Thailand, Indonesia, Brazil, Mexico, Nigeria and many other countries. They all need loans from the World Bank and the IMF. In fact, they would like some of these loans to be forgiven. People who dislike you are less likely to forgive you. The same is true of countries. A country who is your enemy will not help you and will not forgive anything easily.

It pays to be nice to Uncle Sam and his buddies.

The World Trade Organization

The WTO is the successor of an entity called GATT (General Agreement on Tariffs and Trade) which was created after the end of the Second World War (1948). GATT started out with 23 countries reaching an agreement that was designed primarily to reduce tariffs on manufactured goods. Since that original negotiation, there have been seven other rounds of talks and agreements. Each round included more countries and more detailed bilateral and multilateral agreements to reduce impediments to trade. The latest round (Uruguay Round) lasted over six years and its greatest achievement was the creation of the World Trade Organization.

The WTO has two basic functions: it is a negotiating forum for discussions of new and existing trade rules, and it functions as a trade dispute settlement body.

GATT was an organization with little power, but it allowed the nations of the world to come together and negotiate trade agreements in a neutral organization. The name “GATT” was rather confusing because it stood for both the organization and the set of trade agreements that countries signed who were members of the organization.

The World Trade Organization, which had 153 nations as members as of July 2008, replaced GATT as an organization, but the agreements signed by the member countries are still referred to as “GATT agreements”. The WTO has substantially more powers than GATT and it presides over agreements that are much more extensive than the ones signed before the final Uruguay round. Before the completion of the Uruguay round, GATT agreements covered principally the trade of goods. That is, they covered agreements concerning tariffs and other restrictions to the trade of manufactured products. The Uruguay round extended this by including agreements covering services and intellectual property such as patents, trademarks, and copyrights. The World Trade Organization was set up primarily to monitor these agreements and to provide a venue to resolve disputes concerning them.

The World Trade Organization governing process is very different from the World Bank or the International Monetary Fund. In the WTO all countries have one vote and each vote counts the same. No country is favored. Decisions are made often by consensus—meaning that all countries agree. However, there are instances where there are votes. The following is copied directly from the WTO [web page](#).

The WTO Agreement envisages four specific situations involving voting:

- An interpretation of any of the multilateral trade agreements can be adopted by a majority of three quarters of WTO members.
- The Ministerial Conference can waive an obligation imposed on a particular member by a multilateral agreement, also through a three-quarters majority.
- Decisions to amend provisions of the multilateral agreements can be adopted through approval either by all members or by a two-thirds majority depending on the nature of the provision concerned. But the amendments only take effect for those WTO members which accept them.
- A decision to admit a new member is taken by a two-thirds majority in the Ministerial Conference, or the General Council in between conferences.

In the Uruguay negotiations developed countries demanded the inclusion of services and intellectual property. Many poor countries had been copying and mass producing CDs, cassettes, prescriptions, books and other valuable intellectual property without paying anything to the individuals and companies which had developed them. The less developed countries (LDCs) were brought into the last GATT agreement (Uruguay) by allowances that permitted them to gradually adjust to the new laws and by the fact that they would have the same voting power in the WTO as the more developed countries. It should be stated that all countries had much to gain by agreeing to abide by set, observable rules of trade that permitted far greater freedom to international commerce.

The biggest difference between GATT and the WTO as organizations, however, is the enforcement powers given to the WTO to settle disputes. GATT could only make observations or recommendations when differences between two or more nations arose over a trade problem. A major part of the Uruguay round was that the World Trade Organization would have real power to settle disputes.

If two or more countries that are members of the WTO have a dispute over a possible violation of an trade agreement and cannot solve the difficulty amongst themselves a panel of three judges is appointed to hear the case. The countries involved must approve all three judges beforehand. (At times, though rarely, there are five judges appointed.) The judges are given position papers by all the countries involved, look at independent evidence and make a ruling, usually within six months of the initial complaint. This ruling cannot be overturned unless there is a consensus of all the members of the WTO to do so. There is a mechanism for appeal, but this too is decided by an independent panel of the WTO and its decisions are handed down usually within 90 days.

If the losing country or countries either refuse to implement the decisions of the panel of judges or for some reason find it impossible to do so, the countries that won the decision are allowed to impose sanctions. An interesting case was the one where the USA and Canada accused the European Union of unnecessarily blocking the importation of beef from their countries by making it illegal to import any beef that had been given a specific growth hormone. This growth hormone was used by most U.S. and Canadian beef producers and was found by the WTO to have no ill effects on humans. The EU announced that it could not get agreement to change its policies and the WTO then allowed Canada and the U.S. to increase tariffs on a range of

goods imported from countries in the E. U. Please check here for a more thorough explanation of the dispute resolution process. <http://www.wto.org/wto/about/dispute1.htm>

More recently, the WTO held that the USA was violating signed GATT agreements by putting tariffs on steel from Japan and the European Union. The WTO authorized almost two billion dollars worth of tariffs to be put on U.S. goods by Japan and the E.U. The Congress removed the tariffs on imported steel, but then left a provision that if the administration finds that countries are dumping steel in the USA that the federal government would levy a fine on the companies that were doing so and these fines would be given to U.S. steel companies. The WTO found that to be against the trade agreement also.

The World Trade Organization is becoming enormously influential. This is so because of many reasons, but most importantly because of its dispute resolution process. As mentioned above any country can bring a dispute to the WTO and very often this complaint will be heard. When WTO issues a ruling it does so in specific terms and gives a specific financial impact that the violation has created. For example the WTO held that the US practices of not allowing Japanese and European steel to be sold in the USA would cost billions of dollars in losses to these countries. The WTO then allowed these countries to impose restrictions on U.S. goods and services for approximately the same dollar value. The sale of U.S. airplanes, software, and entertainment media abroad was threatened. This gave these industries a very good motive to push Congress and the administration to end the discrimination against foreign steel. The Bush administration soon agreed with the WTO's finding and began to open the doors to more imported steel.

This highlights the great strength of the WTO. In the past, businesses within countries would lobby their governments for protection from foreign competition. Governments would usually agree with their domestic businesses because these businesses had political influence. Their workers voted and the business gave money to political parties and individual politicians. Now, however, when the WTO makes a ruling it allows the aggrieved countries to impose restrictions on imports from the country found guilty of having violated free trade agreements. These victorious countries soon name the imports that they will begin to restrict. This causes the domestic industries that will be hurt by these practices to pressure their governments to abide by the WTO ruling. In other words, the dispute resolution process creates domestic pressure to agree with the WTO ruling increasing free trade that is equal to or greater than the domestic forces that want to continue protectionism. This is a huge change in the domestic political arena that has begun to reap major changes in favor of free trade.

World trade is increasing rapidly; countries are becoming more interdependent and more reliant upon stable, reliable commercial relations. The number and importance of the cases submitted for dispute resolution have increased each year. The world community of nations has created an institution that will allow them to settle their trade disputes in a neutral manner and that will provide them the venue to reach even more extensive commercial agreements in the future. The dispute resolution process of the WTO and its ability to impose sanctions on domestic exports has changed the nature of trade politics and policies regarding international trade.

The World Trade Organization may well be the most influential of the specialized agencies of the United Nations. It is becoming more powerful every year.

The European Union

The European Union is probably the most successful multi-national organization ever created. It started out as an organization designed primarily to reduce or eliminate tariffs. It is now evolving into a government that is bringing the nations of Europe closer together politically, economically and socially.

The impetus behind the creation of the EU was similar to that which propelled the United Nations. Europe suffered terribly during the Second World War. France and Germany which wreaked horrendous damage on each other twice in the Twentieth Century and several times in the Nineteenth Century, decided that they must do something to reduce the possibilities of a future war, one that would threaten their very existence. A key reason for these past wars was that they made some economic sense. If Germany won it could take over vital French territory, especially the area of Alsace Lorraine, which contained large reserves of coal and iron ore and several steel-making complexes. If France won it could retain this territory and perhaps take over some German resources. The simple thought that started the movement towards integration was that if both countries, and their immediate neighbors, had open and equal access to the resources of coal and iron, then they would not need to fight each other to secure or protect them.

The European Union began as the European Steel and Coal Community in 1951. It established a common market for coal, iron and steel products within these countries. The experiment was so successful that the organization was expanded to include the European Atomic Energy Commission and The European Economic Community by the signing of the Treaty of Rome in 1957. These three Communities have now merged and one name is used to describe all three and the countries that have joined. This name is The European Union (the name was changed from the European Community in January of 1994.) The original signatories were France, Germany, Italy, Belgium, Luxembourg, and The Netherlands. The countries who have since joined are: The United Kingdom, Ireland, Denmark, Greece, and recently Spain and Portugal. In 1994 the Union accepted the applications of Norway, Sweden, Austria and Finland. The legislatures in all of these countries except Norway ratified the

agreement, and, except for Norway, they are currently full members of the EU. In March, 2004, the European Union expanded to 25 members as Cyprus, The Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, The Slovak Republic and Slovenia joined. The population of the EU was almost 500 million people in 2008. In 2007 Romania and Bulgaria joined, bringing the total countries to 27. There is still much debate about allowing Turkey in. At this point the European Union includes the vast majority of countries in Eastern and Western Europe and has borders on Asia.

In the 1975 Lome` Convention a special economic relationship was established by the European Union with 46 African, Caribbean, and Pacific states. Most of these countries were ex-colonies of member countries of the Union. These special relationships continue today. Mostly there are lower or no tariffs and/or quotas with these countries.

Features of the European Union

1. The elimination of all tariffs, customs, quotas and other impediments to trade in goods and services amongst the various countries has now been largely accomplished. Goods now travel freely from country to country without border stops and without need for papers for every country. Many banks are now European. (Your MasterCard will be accepted almost anywhere.) A great deal of work had been accomplished in standardizing safety and environmental requirements for all products to ease trade. This was the first and most successful feature of the EU. It has increased competition within the 27 countries of the EU, bringing down prices, improving the quality of goods and services and providing a greater variety of products for European consumers.
2. A common tariff, customs policy, and commercial policy towards all third or foreign countries has been established. This has greatly facilitated trade with other countries. If Japan wants to sell automobiles in Europe, for example, it need meet only one set of requirements and it can ship to all countries of the EU. This has also greatly increased the bargaining power of the Union since it now represents around 500 million customers and thousands of businesses.
3. A common agricultural policy is in place; it establishes common subsidies and prices for most agricultural goods. Large surpluses have resulted, leading to numerous problems. Negotiations continue within the Union to reduce subsidies. The EU concluded negotiations with GATT, the precursor to the World Trade Organization, which will substantially lower tariffs in future years. About half of the budget of the Community goes to paying agricultural interests. The farmers of France and Germany have been the principal beneficiaries. Since these countries are so powerful it is difficult to change policies that probably make little economic sense.
4. There is free movement of people. This is perhaps the most remarkable achievement for the citizens of Europe. Germans can buy a house in Portugal and retire or vacation there. Workers in Ireland can seek jobs in Sweden or Denmark. By 1994 almost all people were able to move to any country they wished and perhaps within a year vote in local elections. There are few mandatory border stops between any of the countries. There is now a common European

passport for all citizens in the EU. Airports and other points of entry to the EU will still require passports for people outside the Union.

Banks and other financial institutions are now merging and setting up subsidiaries in most of the fifteen member nations. Television and radio programs are now available in many languages throughout the EU. The Internet is not as popular in the Union (with the exception of the Nordic countries) as it is in the USA or Canada, but it is catching on quickly.

5. A rather complete monetary union is taking place, although at a slow and intermittent pace. This is called The Economic and Monetary Union or EMU. In January of 1999 most of the countries in the EU started using a common currency, the "Euro", for credit card transactions. In January of 2002 the paper currency was introduced and is now the principal money used in Europe. At the beginning of 2008 the Euro was trading at about 160% of the dollar (100 Euros could be traded for 160 dollars.) The United Kingdom, Sweden and Denmark have chosen to reserve their right to not join the Monetary Union. The ten new member nations of Eastern Europe will join EMU gradually, with complete coverage predicted by 2012.

A common European Central Bank has been established to control the monetary system. This bank has powers similar to the US Federal Reserve. Perhaps most importantly it controls the money supply in the Economic and Monetary Union (EMU).

6. The EU has a tax base. Unlike the United Nations, it does not have to beg for money--at least not as hard or as often as the UN. The Union's budget in 2008 was around 220 billion dollars. Not much when one compares it to the 3 trillion dollar budget of the USA in the same year, but substantially more than the seven billion or so that the UN had for general operations. There are four principal taxes. The first tax the Union levies is a common customs and import tax on goods coming into the EU from non-member countries. Secondly, there is a special tariff charged on imports of agricultural products, and in particular sugar, originating from non-member countries. Third is a value added tax (VAT), which is a sales tax added on at the wholesale or production level of goods in the EU. Finally, governments are assessed fees to bring the EU's budget up to about 1.25% of the total DNP of the countries in the Union.

7. A common development policy is now functioning, led by The Development Bank that is channeling money to lesser developed areas, especially in Portugal, Spain, and Greece—soon more money will be going to the new members in Eastern Europe. This bank is also investing in research in advanced technologies that will be necessary for Europe to compete in the world community.

8. The European Union has established a government with executive, legislative, and judicial branches.

The most important governmental body is called the **Council of the European Union**. It determines all important policies. It has twenty-seven members, one for each country. Ministers are sent from each country depending upon the topic being discussed. For example, if the topic is foreign policy the foreign ministers make up the Council. In matters of great importance the chief executive officer of each country is present. (For example the Prime Ministers of Italy and the UK, the Chancellor of Germany, the President of France, etc....)

When the countries are represented by their chief executive officers the Council is called the **Council of Europe**.

The Council of the European Union now votes on most issues based on qualified majorities. Each country is allocated votes in rough proportion to its population.

“Decisions in the Council are taken by vote. The bigger the country’s population, the more votes it has, but the numbers are weighted in favor of the less populous countries:

<i>Germany, France, Italy and the United Kingdom:</i>	<i>29</i>
<i>Spain and Poland:</i>	<i>27</i>
<i>Romania:</i>	<i>14</i>
<i>The Netherlands:</i>	<i>13</i>
<i>Belgium, Czech Republic, Greece, Hungary and Portugal:</i>	<i>12</i>
<i>Austria, Bulgaria and Sweden:</i>	<i>10</i>
<i>Denmark, Ireland, Lithuania, Slovakia and Finland:</i>	<i>7</i>
<i>Cyprus, Estonia, Latvia, Luxembourg and Slovenia:</i>	<i>4</i>
<i>Malta:</i>	<i>3</i>
<i>TOTAL</i>	<i>345</i>



“Qualified majority voting”

In some particularly sensitive areas such as common foreign and security policy, taxation, asylum and immigration policy, Council decisions have to be unanimous. In other words, each member state has the power of veto in these areas.

On most issues, however, the Council takes decisions by ‘qualified majority voting’ (QMV).”

The above quote was taken from **Europa** http://europa.eu/institutions/inst/council/index_en.htm

The **European Commission** is the chief executive body of the EU. It now has over 17,000 employees and had a budget of approximately \$200 billion in 2008. The Commission is headed by a multi-member board, called the Executive Commission, composed of designates chosen by national governments and is roughly proportional to the population of each country. There was an unprecedented scandal involving the Executive Commission in late 1998 and 1999. Independent sources accused the members of the board and the president of the EU, Jacques Santer, of ignoring massive corruption within the Commission. The entire Executive Commission and Santer resigned in March of 1999. A new election was held and a new Executive Commission and a new president, Romano Prodi of Italy, took office in September

of 1999 and is scheduled to serve out the term of the old board and stay in office for a new five-year term, beginning January 1, 2000. The current President (2008) is José Manuel Barroso, from Portugal, who took office towards the end of 2004.

The **European Parliament** is a second legislative body. It has 785 members (2009) that are directly elected from the constituent countries. It has power to accept or disapprove of the budget prepared by the Commission. It also makes recommendations to the Commission.

The **European Court of Justice** is composed of 27 members who serve for six-year terms. One is from each country; the judges themselves select the president of the court. The Court rules on all cases involving laws or regulations passed by the Union. It is becoming increasingly powerful since member nations have gone along with almost all of its rulings.

Free Trade Blocs

In addition to the European Union there are a number of other multi-national free trade blocs. NAFTA (North American Free Trade Agreement), MERCOSUR and AFTA (ASEAN Free Trade Area) are the three largest after the EU. Below is a brief description of these blocs.

NAFTA

NAFTA is a free trade agreement involving Canada, Mexico and the United States. Of the free trade unions NAFTA is the most limited. It is restricted to eliminating tariffs, quotas and other trade impediments amongst the three countries involved. It has no governing structure, although there are boards set up to settle agreements. There is no common customs or tariff agreement for imported goods and services. No monetary union is in the works and there is no movement to making education or training of professions similar as in the EU. Most importantly, there is no free movement of citizens allowed. It is a very powerful trade bloc, nonetheless, because of the economic and political power of the United States. It includes less citizens than the European Union, about 400 million, but it has a similar total GNP, of about 13 trillion dollars in 2008. It should be noted that NAFTA is in the **process** of becoming a free trade zone. It has not reached this goal entirely yet, as there are a number of industries that still receive protection such as citrus, lumber, and Mexican petroleum.

MERCOSUR

MERCOSUR is the trade agreement started by the two largest economies in South America, Argentina and Brazil, along with Uruguay, and Paraguay. Chile, the most advanced South American economy, and Bolivia are in the process of becoming members. There have been

intensified discussions the past few years about bringing in Peru, Columbia and Venezuela. In 2003 Peru signed a free trade agreement with MERCOSUR. It is very possible that in ten years MERCOSUR will represent almost all of the South American countries.

MERCOSUR is presently a customs union in addition to a free trade zone. This means that there is a common tariff on all imports from outside. (The United States has been unhappy with the raising of tariffs on U.S. agricultural goods. This raises a potential problem with trade blocs. They favor the countries within them, but they also often raise tariffs or create obstacles to goods and services coming into them.)

There have been discussions of creating a common currency and of coordinating domestic and foreign policies within MERCOSUR, but at this point these things are only in the talking stage.

AFTA

ASEAN (Association of Southeast Asian Nations) started out primarily as a political organization and only lately has created AFTA (ASEAN Free Trade Area). Indonesia, Malaysia, the Philippines, Singapore and Thailand were the original creators of ASEAN. Brunei and Vietnam, Laos, Myanmar and Cambodia have since been admitted as members. In effect, ASEAN, and AFTA, now represent most of Southeast Asia.

AFTA is essentially a free-trade zone in the making. It still is working out agreements amongst all ten countries to eliminate tariffs, quotas and other restrictions on trade. It has concentrated lately on removing restrictions on capital and services, but it is behind the other trade blocs in these areas. ASEAN is a political organization of countries that are trying to protect themselves from their powerful neighbors—China, Japan and India. The countries of Southeast Asia are finding that economic integration is helping their political goals.

Possible Advantages to Free Trade Zones

Most agree that free trade agreements provide higher quality goods and services to consumers in all countries at lower prices.

This tends to be true for several reasons. First, competition increases. The elimination of tariffs, quotas, and other restrictions allow companies who were once prevented from doing business to compete on equal footing with national companies. Competition usually lowers prices and improves quality by itself. In the United States, for example, NAFTA seems to be helping keep the prices of textiles, shoes, lumber and some agricultural goods low. While this is generally true, it is not true in all cases because some free trade blocs erect higher tariffs and other restrictions to goods and services from outside the countries in the bloc. For

example, both the EU and MERCOSUR have created higher tariffs for agricultural goods coming in from outside. This has kept food prices artificially high.

Secondly, the cost of production for goods and services tend to decline as companies take advantage of the lower costs of labor, cheaper natural resources and easier access to quality services and specialized knowledge. Dell Computer Corporation based in Texas, for example, uses low-cost Mexican labor to assemble many of its monitors. U.S. software and computer companies are helping to make many more Mexican companies efficient.

The free movement of knowledge is especially important. Free trade allows companies to set up subsidiaries in other countries where they can simply use their existing technology. It also allows businesses to create arrangements where their company can sell its knowledge easily to other businesses. A U.S. pharmaceutical company can now sell and produce medicines in Mexico and Canada, allowing consumers in those countries to take advantage of the medical discoveries made by a U.S. company. This same pharmaceutical company may well negotiate deals with Mexican or Canadian companies to market, package or distribute their products. A Canadian company that discovers a better engine for trucks can sell the engine or the knowledge to make the engine to companies in all three countries, thereby allowing a much larger number of people to take advantage of the discoveries and providing a greater incentive to creating discoveries in all countries.

Specialization is also increased in free trade zones. A larger market allows countries to spend their resources producing things that they do well, rather than inefficiently producing goods or services that other countries can provide at lower prices. (In economics this is called comparative advantage.) In the NAFTA for example, it seems clear that in the foreseeable future Mexico will be home to many assembly industries that use low-cost labor. Automotive and computer parts are two that come to mind as well as textiles (clothing). Citrus and produce might also be more likely to be grown in Mexico where the land is cheaper and winter freezes don't interfere with growing seasons. Canadian and U.S. financial services and high-tech industries meanwhile are beginning to dominate some markets in Mexico. A country that specializes is much the same as a person who specializes. It becomes extremely good at what it does and therefore very productive. Productivity increases income.

Free trade zones also allow for economies of scale to take place. Canada might not have a large enough market to justify the creation of company that puts communications satellites into orbit around the earth to provide better Internet access. It might be able to do so if it can offer these services to consumers in Mexico and the United States. Similarly it may make sense to create a company that provides Internet access at \$15 a month unlimited use if the company can make a one dollar a month profit off each account--- if the customer base is over a million. Companies can get discounts if they buy in large quantities. These factors allow the costs of providing services or producing goods to come down, thus allowing for reductions in prices to consumers.

More competition, free movement of knowledge, increased specialization and economies of scale combine to make virtually all countries in free trade blocs more productive. The more productive a country is the more income it should produce for its citizens. Generally this does occur; national income goes up. As we will see below, however, this does not mean that employment will necessarily go up. In fact some countries in the free-trade pacts may see no increase in employment or even a reduction.

It's easy to see how jobs have been created in Mexico by NAFTA. Now and in the future Mexicans will be receiving better employment opportunities by the factories that have been created by U.S. and Canadian firms seeking low-cost labor. As the income of Mexican workers has increased their consumption of goods and services produced in the U.S. and Canada has increased as well. U.S. banks, insurance companies, stockbrokerage firms and others have seen increases in purchases from Mexican consumers. More computers with processors and software made in the USA and Canada are being sold to Mexico. This has increased employment in high-paying jobs in Canada and Mexico. Those who have received these new jobs buy new homes; use more dry cleaning and home cleaning services. They frequent more restaurants and buy more services from local businesses. All of these activities create other jobs. The increases in some employment sectors, however, may be offset by decreases in other sectors. More on this later.

Another advantage for consumers is that there is often a greater variety of goods and services available in free trade blocs. Products like beer, detergent, clothing, and machine tools are often produced in all the countries after the free trade agreement they are often stocked in many stores. Products like satellite hook ups for televisions, computers and telephones are usually made more available to developing countries. Internet service providers are now able to sell to larger markets and more consumers have opportunities to purchase or use these services.

A big advantage to poor countries in trade blocs is that they are usually recipients of large amounts of capital investments made by the wealthier countries. New buildings, technology, and sophisticated equipment are created by foreign investors or by businesses from the more developed countries in the trade blocs. The flip side to this is the opportunity for investment that the wealthier countries now have.

There are other long-term political and social benefits to trade blocs. As economies become more intertwined the political reasons for close cooperation within the bloc increase. Countries understand that they have a stake in each other and make greater efforts to get along. In that same vein, increased business contacts usually mean that people must learn the culture of their trading partners. Many must learn new languages and different business practices. In short, more people will come into contact with each other and will need to learn more about each other. This breeds increased understanding amongst people.

Possible Disadvantages to Free Trade Blocs

Possibly the greatest drawback to free-trade blocs is job and economic sector displacement.

For many reasons, some industries will be shut down or forced to downsize because of increased competition from trading partners. These business sectors often employ large numbers of workers who find that their jobs no longer exist. This is an inevitable process in free-trade agreements. If some industries were not closed it would mean that there was little

need for the agreement in the first place. The workers who lose their jobs are often without work for an extended period and when they do find work it may well be at a lower wage.

The closing of factories that were their lifeblood has devastated some communities. In the United States, for example, some automobile parts plants have moved to Mexico as have many textile factories in the southern states. Soon the citrus industry in Florida will face increased competition from Mexico and eventually from Central America. It may well have to sell many groves and shut down citrus processing plants. Many Mexican banks and insurance companies are now under pressure from northern financial institutions. Mexicans fear that large retail chains based in the USA will push many small family businesses out as they have done in the United States and Canada.

As stated above, this is an inevitable result of restructuring that occurs in free-trade pacts. This knowledge does not make it any easier for those who have lost their jobs or businesses, however. It is unclear if free trade increases overall employment in member countries. Evidence of the effects of NAFTA have not shown an increase in overall Mexican employment—at least not clearly. The productivity of U.S. corn and wheat farmers have brought down prices for these commodities in Mexico and have put many small farmers either out of business or driven them close to it. Likewise, the creation of larger farms in Mexico with more and better machinery has left many unskilled workers without jobs. In general, less skilled, older and less mobile workers are likely to be hurt in the short run by free trade agreements. What happens to employment and wages in the long run is not easy to predict. In the short run there is real pain felt by some workers in all countries.

Another possible drawback to free trade agreements is that small businesses are often forced to close and workers, therefore, are more likely to be employed by huge conglomerations that have little contact with workers. Workers become “employment factors” and “personnel decisions” rather than individuals. Fewer people own their own businesses; more people work for others. In the United States, for example, most family- owned hardware stores, grocery and clothing stores, hotels and motels have been put out of business by large chains. Small business owners in restaurants, pharmacies, convenience stores, trucking and many other industries are slowly being put out of business. These large chains spread to the other countries in free-trade zones. More and more people are working for large chains—becoming small, rather unimportant parts of the “economic system.”

The other major possible drawback to free-trade agreements is increased dependency. As countries become more specialized they become more dependent on their trading partners. This means that each country loses some control over its economy or sovereignty. Decisions by foreign businesses can greatly affect domestic economies. Many are made uncomfortable knowing that most of their food is now grown in other countries. A strike in automobile parts in Canada or Mexico can throw many thousands of U.S. workers out of work. If U.S. firms eventually supply most of the electrical power in northern Mexico what happens if there is a political rift between the two countries?

Another aspect of this increased dependency is contagion. This can be positive or negative. If one economy does well it helps pull the other economies or countries along with it. The opposite is true of recessions or depressions. If one country goes into a depression and the other countries have become tightly linked to it they also are pulled into the recession. In early 2008 the U.S. economy slowed considerably, hurting both Mexico and Canada.

MERCOSUR countries were frightened by the near collapse of the Brazilian currency at the end of 1998. If the Brazilian economy went into a depression it would surely drag its trading partners along with it. The USA went out of its way to bail out the Mexican peso in 1994-5. It also pushed the IMF to help. With NAFTA, the United States and Canada did not want to see Mexico sink economically.

Imagine what will happen to Mexico the next time the United States and Canada go into recessions? Wait a minute, this did happen in 2008-09 and Mexico went directly into the recession with the USA and Canada.

Weaker economies in trade blocs clearly have the most to gain...and to lose. They fear being swallowed by the more advanced countries. This is exactly what the Mexicans and Canadians fear about NAFTA. They fear that they will all eventually be working for Uncle Sam's businesses. They may well be richer, but they will lose control of their economic lives.

There are also environmental concerns raised by these agreements. NAFTA, in particular, has little in it to prevent Mexican businesses from pouring their effluents into the water or air. Thus, as more manufacturing industries shift to production in Mexico, pollution in North America might well increase. This has also put U.S. and Canadian firms at a disadvantage when competing with Mexican firms since companies will have to pay for pollution control in the former countries and perhaps not in Mexico.

Russia

Before we consider the current situation in Russia it is necessary to understand some of Russia's past. Like a person, it's impossible to have any substantial understanding of a country unless one knows something of the history and forces that created it.

Russia was the heart of the Soviet Union, a country that included 14 other "nations" until its breakup in 1991. There were many reasons for the breakup of the USSR, some immediate and others more fundamental to its nature.

Perhaps the most fundamental reason for the failure of the USSR was that it did not permit economic or political competition. Competition in sports leads to improved play for almost everyone. Competition in business allows those with the best products to "win" and it leads to innovation and creativity—even if only for self-interest. Competition in politics allows the best ideas to win, eventually. Politics sits on top of all of the other social and economic systems. It is what sets the rules. If the political system is weak, corrupt or inefficient all other social systems will suffer. Such was the case with the Soviet Union and its special type of "communism". The political system was corrupt and inefficient and the primary reason it was so, in the opinion of this author, is that it did not allow competition of ideas.

The key to political competition is free speech which inevitably leads to some form of democracy. Conversely, an authoritarian system like the old USSR, present-day Cuba or North Korea and many other countries do not, cannot permit free expression. **All** authoritarian countries suppress freedom of speech in some form; there is no exception. The importance to the political system of free speech is that it allows criticism of the government and those who lead the government. It leads to new and better ideas—at least in the long run. The Communist Party of the USSR did not allow any real competition either within itself or from outside. The party members at the top, in the Secretariat, for example, chose the leaders underneath them who then chose the leaders underneath them, who then chose... Voters were allowed to vote, but only for those who were presented to them on a list—and there was just one person for each office. Although the leaders on the top exerted pressure on those at the bottom rung who were forced to produce, there was no outside party allowed to challenge the basic philosophical ideas of the system. Inevitably the political system began to rot from within.

Those in government controlled the police, who therefore had no motivation to investigate the government—or themselves. With no outside entity monitoring governmental officials or

governmental employees, including the police, the system had no effective way of cleansing itself of corruption, or of challenging the ideas of those in power. Put simply, unchecked power leads to corruption.

Very much the same thing occurred in the Soviet economic system. The political system did not allow competition, either within, or from other countries. Huge state monopolies were created in farming, manufacturing, power, transportation and other industries. Workers were guaranteed jobs and in most instances could not be fired. The system was reliable, but static. There was little incentive for innovation or hard work. Without competition almost everything produced in Russia or the USSR improved little, and since few goods and services were imported from other countries the people were left with goods from shoes to buildings that were poorly made and often deteriorated quickly. The economy trudged along, but it was increasingly being left behind by the dynamic Western economies.

The more immediate reasons for the demise of the USSR were associated with Mikhail Gorbachev, the man who became head of the Communist Party and the President of the Soviet Union in 1985. When he came to power it was apparent that the USSR was losing ground rapidly to Western countries. The Western nations were prospering economically and creating technological innovations in almost all fields, including, most importantly, the military. In order to catch up Gorbachev decided to start a reform process and open up the system to internal criticism, and ultimately, to some democracy. When given the choice, voters in all countries of the USSR chose to throw out the entire system. Given the crucial choice of having the Soviet military shoot hundreds or thousands of Soviet citizens to maintain the union, Gorbachev declined. So, instead of reform, the entire Soviet Union imploded and came apart. All fifteen countries that were part of the USSR suddenly became independent.

In reality, what these countries knew for sure was only that they disliked the old communist system. They had no idea how to run a government or an economy differently. Logically, they turned to the Western countries and international institutions for guidance. Unfortunately, there was no precedent for a situation like Russia. All the Western countries had evolved their economic and political systems over many years, even centuries. Now they had to tell Russia and the other fourteen countries how to do something that had never been done before. Of course, they recommended democracy and a free market economy. And from 1991 on Russia has been attempting to create these institutions and has been failing miserably in most instances.

Democracy

Let's pause for a moment to discuss democracy as a political system in a general sense and then look at Russia and how it is doing in its efforts to create it.

When one looks up definitions of democracy one usually encounters statements like "government of and by the people." This is perhaps the essence of democracy, but it doesn't give one a clear idea of what democracy looks like in action or in government institutions. An important concept here is that one should not think of governments as being **either** democratic **or** authoritarian. Governments should be classified along a continuum from very democratic to very authoritarian. No government is completely democratic or authoritarian. To be completely

democratic all adult citizens would have to have the same ability to affect governmental decisions. They would all have to possess the same ability to access information. And all governmental decisions would have to be reached through democratic means. This is impossible. Likewise it is impossible to have a governmental system where citizens have no influence on their governments. It makes sense to call the governments in Sweden, the USA and Canada democratic, because they are largely so—but not completely so. Presidents, cabinet members and many members of the bureaucracy make decisions on a daily basis without consulting the people. This is simply necessary. One cannot ask the people what type of weapon system is best or how many offices the Post Office should have.

Cuba, North Korea and China are authoritarian governments, but again, there are a few areas in these countries where citizens have some influence. It doesn't make sense to call many countries "democratic" or "authoritarian" because they exhibit characteristics of both. Russia and Nigeria, for example, have elections, but the elections are not very free. This is the case in perhaps one-half of the countries of the world at the beginning of the 21st century. Most countries have elections, but that does not mean that the governments are truly democratic.

There are many factors to take into consideration when one tries to understand the extent of democracy a given country possesses. Three are absolutely essential: a free voting system, a free press or media, and the existence of competitive political parties. Three other factors are extremely important: the level at which governmental power resides, the amount of power exercised by the legislative, judicial and executive branches and the literacy of the adult population. The most important factor in trying to understand **why** a country is largely democratic or authoritarian is a country's tradition. Let's look at all of these factors briefly.

Tradition

A form of government is largely a habit of the mind. It is a custom that the people of a country have inherited from past generations and usually revise only slightly during their lifetimes. Think for a moment how much the fundamental system of governing has changed in the United States in your lifetime—or that of your parents. You did not choose democracy, nor did your parents. It was given to us from those who came before. And those who founded this country were bringing over a British democracy and reforming it. In the United States we have deepened, broadened and improved our democracy over the years. After all, when the USA began we did not allow women to vote; African Americans were slaves and we killed many Native Americans and threw the rest into reservations. But the fundamentals were there at the beginning: free speech and assembly, tolerance of dissent, majority rule and acceptance of the results of democratic elections—not for all, but for many.

"A habit of the mind" is another way of saying that it is part of a culture. This isn't the place to go into the subject of culture too deeply, but we must examine it a bit to understand why a given country possesses a relatively democratic government and others do not. The political system is just one social system; two others affect it directly—the familial and economic systems. Countries tend to have the same kind of familial and economic systems as they do political systems. The mentality is taught and reinforced in all three. A country that has an authoritarian political system will also have authoritarian economic and familial systems. A male-dominated authoritarian familial culture is one where the man is the one in charge and he tells his wife and children what to do. He enforces his power often by force. Wives and children

are told what to do; they follow orders-- at least as far as the father is aware of. In the economic system the boss has all power. He or she is not chosen by the employees; he has his power by virtue of ownership, tradition and often by government authority. The boss gives out orders and the employees follow them. If people are used to being given orders by their family and on their jobs it seems much more natural that they be given orders by their government. If men are in charge of the family and the economic systems they will be in charge of the governmental system also.

Governing is relational system; it is part of a larger social system that teaches its members what is acceptable or unacceptable. In that sense it cannot be understood outside of the larger cultural system. This is the major reason why it isn't possible to change a country swiftly— either to become more democratic or authoritarian. This is one of the lessons that the Bush administration had to learn the hard way in the Iraq conflict. It seemed to think that it could overthrow the regime of Sadaam Hussein and then set up a democracy and walk away. Clearly, it has not been so easy. One must change how people think; one must change habits of the mind. This takes generations.

Voting

Free elections means that voters are able to vote for whomever they wish and are free to vote or not. This is simple and accepted by all who think about democracy. However, actually conducting free elections is another matter. It requires that the people or machinery that count the votes be fair and accurate. A huge problem in many countries is that a corrupt government is in charge of counting the votes. Often votes are not counted correctly, or the tabulations are simply created by those in power. Another issue is the extent to which citizens actually have the ability to vote. If elections are held on days when most people are working and there are few voting places or the voting places are placed in areas where people who are loyal to the government are most likely to vote then the elections are free in name, but not in practice, because some people must “pay” a lot more to vote than others. In some countries governments provide time off and free transportation to the polls for government workers or others who are likely to vote as the government wishes them to. The PRI party in Mexico was famous for this. Ballots must also be secret, that is, no one should be able to tell who a voter has voted for. In many countries records are kept—usually secretly or informally- of who voted and who they voted for. If the government can check out how one votes, then voting is not really free, because there will be costs associated with voting for people or parties that the government does not support. Finally, it really doesn't matter how free the elections are if there is only one choice to vote for or the choices are between candidates who support the government in power. For example, for years elections were free in El Salvador, but candidates who criticized the government were routinely beaten or killed, so few dared to run. If governments do not allow opposition candidates to publicize their views in the media then again, the voting itself might be free, but the election is not really a democratic one.

Free Press

There is no democracy if citizens do not have access to information that is extensive, available and relatively non-biased. “Press” really means all media. One might think that the concept of

a free press is a simple one, but it is not. There are two broad elements to consider in this regard—the extent to which the media is free from control by government, or other groups in a country and the equality of access to the media that different parties, people or interests have.

In all countries where the government is largely authoritarian or non-democratic the government will control the media. There is no exception to this. However, there are great differences regarding the **extent** to which the media is controlled. When one thinks of the term “free press” one immediately thinks of the printed media—newspapers and magazines. Also, television and radio come quickly to mind. In the 21st century however, the predominate media source is becoming the digital one—the internet. In countries like Cuba and North Korea all media sources are controlled almost completely by the government. Satellite dishes are banned; the government is the ISP (internet service provider). It controls access to all websites and keeps track of where citizens “go”. The governments also have access to all email.

All governments exercise some control over the media. The USA, for example, determines how many radio and television stations can broadcast. It prohibits some type of broadcasting (violence during family hours, pornography) and controls licensing for radio, television and newspapers. The FBI and the CIA use software to scan email that may contain terrorist messages. Media freedom varies tremendously amongst countries. Again, one should not ask either/or questions in this regard. One must ask to what extent is the media in a given country free?

As discussed in an earlier chapter, there are many other forces that can affect media freedom. In many countries organized crime and quasi-governmental organizations terrorize or threaten the media. In Japan, for example, one can criticize the *Yakuza* (Japan’s version of the mafia) sometimes, but if a reporter starts naming names and tries to start a crusade against organized crime then bad things are likely to happen to him or her and their families. In many, perhaps most, African and Latin American countries one needs to be very careful when writing or talking about the local police or the local military leaders.

The other factor to consider regarding the media is access—that is, the ability to access the media by the voters. Another factor is who determines what is printed, spoken or shown? Even in very democratic countries like the USA, the UK or Australia wealthy individuals and large corporations have much more ability to broadcast their messages than do the poor—or organizations that represent the poor. In most countries, particularly Brazil, Nigeria and Japan, which we will be studying, most of the media is **owned** by large business corporations. They tend not to give out information that is contrary to their interests and they will promote candidates who favor business interests. In many countries the government owns or controls much of the media, but not all of it. In India, for example, the government exercises much control over television media, but much less control over radio and newspapers. Still, the newspapers and radio stations are owned by private enterprises that influence what is printed or broadcast.

Democracy is only real if citizens have access to information that is relatively accurate and not controlled by the government or other sectors of society. Put simply, if someone can control what we read, see and hear in the media, they can control how we think. Again, one must not think in extremes. The media in no country is completely free; in some countries it is almost totally controlled by the government—but not completely. There are always a few people who have cell phones, satellite dishes or radios that can receive broadcasts from other countries.

Political Parties

All successful democracies have broad-based political parties. These parties provide an organization for people with similar views to govern. Parties recruit candidates, raise money for them, promote and promulgate the parties' ideas throughout the country. Political parties allow voters to choose **ideas** and **platforms** rather than personalities. They simplify choices for voters who do not have to know the qualifications and political stances of seven or eight individual candidates for each office. Parties provide a link between people in different areas of the country and different levels and branches of government. Parties are threads that pull people from different parts of the country and different parts of the government together. Finally, parties check each other. They look for corruption in opposition parties or in the governments run by these parties; they try to find ideological inconsistencies and failed or doubtful policies. Political parties, along with a free media, are the major cleansing and checking forces in democratic political systems.

The number of political parties and how they are organized is important also. In some countries, like Poland, there are hundreds of parties. Most of these "parties" are in reality just organizations created to promote a particular individual. If there are too many parties then citizens become confused. If citizens cannot understand a ballot then in reality they cannot make a reasoned choice. They can vote, but they don't know what or who they are voting for or against. Probably the best number of political parties to have at any level is between two and six or seven. This allows citizens to have real choices without being too confusing. India is an excellent example of both extremes. It has three major parties at the national level, but at the state level the number varies from state to state from over thirty to just one major party that wins all the elections.

Level of Government

If one considers democracy to be government by the people then one must consider the ability that citizens have to affect their government. Looking at this from an individual perspective one might say that the more influence each citizen has on government the more democratic that government is. From this perspective how democratic is the national government of India? There are about 1.1 billion people living in India and about 600 million of them are eligible to vote. If the most important decisions affecting the lives of Indians are made by the national government then how much influence does a citizen have on that government? One out of 600 million is close to zero. In that sense one can have a government that is democratic on paper, but individual citizens have virtually no say in any of the laws that govern their lives. Is that democratic?

In a very real sense the closer the government is to the individual the more democratic it is. Thus, if cities, counties, school boards, water districts, and even library districts are controlled by the citizens they directly serve, rather than by regional, state or national governments then they promote democracy. If local governmental entities have real power, then the citizens who vote for officials who run these governments have real power. **Where** power lies, the **level** of government that controls citizens' lives is important when one thinks about democracy.

Governmental Branches

One should also consider which government branches have power when one considers how democratic a government is. For example, if one branch, such as the presidency in Russia, has almost all the power then the average citizen has little say in government. One person represents the entire country. How much influence does that leave for the individual? On the other hand, if the legislative branch has considerable power then individuals have a little more say. A citizen will have more influence with his or her representative in the legislative branch than he or she will have over the president. If the legislative branch has real power then the people who elect the representatives have real power also. Few countries directly elect judges, but in some countries (like the USA) judges must be approved by the legislative branch, which again gives citizens more say in government.

Most legislatures have two houses and some power is given to each house. This also can extend democracy. If there is only one house and a group controls that house then all others are shut out from power. With two houses it is more likely that different groups will be represented. This means that power will be more diffused—given to more people representing different interests. This makes it more likely that individual citizens will be able to affect or be represented by one part of the government.

To conclude, democracy seems like simple concept, but trying to understand how democratic a government is in practice or in reality is not.

Literacy

It isn't impossible to have a democracy if a majority of the population can't read or write, but it is clearly more difficult with an uneducated public. Words are concepts. The more words that one reads the more concepts one is exposed to and the more likely one is to be able to understand rather abstract thoughts like "honesty," "fiscal responsibility" and "democracy." The word "literacy" is a generality. A "literate" person is one who can read some words, not necessarily many. Many people are termed "literate" if they have finished the second grade. Brazil, for example, gives out statistics that say 85% of its population is literate. The probability, however, is that most of these people are what we call "functionally illiterate," meaning that their reading skill are not sufficient to understand a newspaper, read books or comprehend writing on the internet.

Russia and Democracy

This is one area where Russia excels. Approximately 98% of the population is literate. Virtually all citizens have gone through elementary school and the large majority has gone through secondary school. Russians understand the literal meaning of democracy, but they do not appreciate or really understand what it means in practice.

The habit of the mind that was passed down to the people of Russia in 1991 was almost completely authoritarian. No person alive could remember any real form of democracy. Russians were used to taking orders, giving orders and most of all, avoiding orders. Democracy involves discussion, open debate, striving for consent and consensus whenever

possible. It involves considering fellow citizens as equals, not intellectually, physically or economically, but as citizens who possess the same rights and freedoms.

Why are Russians finding it so difficult to form a democracy? They have not yet formed the democratic habit of the mind. They did not learn it from their parents or grandparents. They did not learn it from their teachers or books or friends or their legendary heroes. It is now being force fed to them by people who they were taught to hate. It is very like a group of fifty-year-old American men being taught Chinese by an arrogant teacher who refuses to say a word in English.

It is something that can be done. But it will take time.

Another important lesson to be learned from the Russian experience is the importance of political parties. The communist party of the USSR did not allow any opposition parties to form. Nor did it allow any religious organization to exist except in the minds of a relatively small number of its citizens. When the USSR came apart there was no organization for people to use for governance other than a corrupt bureaucracy and the military. When the Shah of Iran was toppled, for instance, a religious organization, that of the Shiite sect of Islam, was there to provide a vehicle to rule. When the Soviet Union came apart there was nothing--except the military, the discredited bureaucracy and the communist party that had tightly controlled the military. This is one of the chief reasons that Russia slid toward anarchy—and one of the major reasons that the country has been comfortable with a new semi-dictator.

In Russia the only political party that has a historical national organization is the Communist Party, and it has been thoroughly discredited by its past actions. In fact, because of the history of abuse by the Communist Party all parties in Russia are looked at with disdain by most ordinary citizens. The party of Vladimir Putin, United Russia, was created to support the government. It really doesn't have an identifiable ideology. It exists to serve the interests of Putin and those in power.

New parties formed around candidates for the Russian Presidency, governors of different parts of Russia and even mayors of cities in the early 1990s. They were essentially personal parties that revolved around a candidate rather than a set of common beliefs that people around the country could identify with and rally around. In the year 1998 there were around 100 different political parties. By the year 2004 the number had been reduced to around 50. By 2008, due to a concerted effort to eliminate competition by Putin and his party the number was down to 5 national parties. In the election of 2008 Putin's party, United Russia allowed little opposition and won in a landslide. Putin could not constitutionally stay as president, but he supported a protégé of his, Dmitry Medvedev for the presidency. When Medvedev won he promptly stated he would appoint Putin to be Prime Minister—the person who would run the day-to-day operations of the government.

By 2009 one party, United Russia, controlled the national political system and had become dominant in most regional governments as well. Russia had come full circle in one generation. In 1992, when Boris Yeltsin became president, there were no political parties with any power other than the Communist Party, which had become almost completely powerless and discredited. Soon after there were hundreds of new political parties, mostly formed around powerful or well-known individuals. By 2009 Russia had returned to what it knew best—one major political party that controlled most of the political system. And that political party was

almost completely controlled by those at the top—primarily Putin. Vladimir Gel'man in an article titled "Party Politics in Russia: From Competition to Hierarchy" published in *Europe-Asia Studies*; Aug2008, Vol. 60 Issue 6. Wrote this: *"The rise of UR(United Russia) as a dominant party coincided with the sharp destruction of Russia's major democratic institutions, including (although certainly not limited to) competitive elections (Fish 2005; McFaul & Stoner-Weiss 2008). Domestic and international observers widely regarded them as unfair. The blatant abuse of state resources for election purposes, one-sided media coverage, administrative pressure and intimidation toward voters, and (last but not least) electoral fraud, became routine in Russia's electoral politics,..."*

So, Russia is, to a certain extent, back to the non-competitive political system that it has almost always had. It is back to its traditional way of governing.

There are major differences, however. The government does not control every aspect of citizens' lives as the previous "Communist" system did. People can leave the country rather freely and move about within the country with having to ask permission of the government. The economic system is much different also. Russia is moving very slowly to a more decentralized economic system.

A complicating factor in the creation of new political parties in Russia was the great power invested in the presidency. When Boris Yeltsin forced through a new constitution in 1993 it greatly increased the powers of the president and severely limited the powers of the legislative branch. This means that legislative seats are not very desirable, making it difficult to motivate people to form a national party to get legislation passed. Many laws are simply passed by decree from the office of the President or his delegate, the Prime Minister. The President of Russia can dissolve the Duma (lower house of Parliament) at any time.

There was no freedom of the press in the USSR. When Russia was created out of the ruins of the USSR there was a burst of new media sources. Many new papers, radio stations and even television stations sprang up. But Yeltsin and Putin soon started to intimidate and even eliminate the media sources most critical of the government. It became a crime to make fun of the Russian President. By 2002 all the national television stations were back under government control, albeit, the control was not nearly as total as it had been under the USSR. There are independent newspapers, magazines, radio and local television stations, but if they become too critical of the government bad things happen to them-- like government withdrawal of licenses and even beatings of reporters and independent owners. In 2006 two incidents drew international attention. Anna Politkovskaya, a well-known journalist who frequently criticized the government, was murdered as she stepped out of the elevator of her apartment building. It isn't surprising that no one has been arrested for her murder. In December of 2006, Alexander Litvinenko, an ex-agent of the Russian KGB who had been very critical of Putin, was poisoned in London by people who many believe were connected to the Russian government. The poison was a rare radioactive substance called polonium-210 that is not readily available to ordinary citizens. Before he died Litvinenko accused Putin and his allies of being responsible for his poisoning.

Russia has been left without a common set of national ideals or values to rally behind and no national organization to organize people with similar ideas. The Russian people have no democratic culture to consult. Russians know how to threaten each other, how to give, obey and avoid orders. They do not know how to cooperate as equals.

The Soviet bureaucracy was left, but it was very corrupt, accepting bribes from businesses big and small. It has continued with the mindset from the USSR. These are people who don't think they can be seen or controlled. Democracy might help, but Putin and other governmental leaders have shown little inclination to permit much democratic reform. Democratic decentralization, after all, limits the powers of politicians—especially those who control the national government.

Economically the situation has been similar. Socialism was greatly discredited, but the people had little to no idea of how to form a free market economy when the Soviet Union collapsed. Some western economists believed that if the people were left alone they would spontaneously begin to form their own businesses and the economy would sort itself out largely on its own. Again, however, the habit of the mind was missing. Nobody had created a real business in Russia outside of the black market for over seventy years. Some businesses did spring up, but the government did not have the institutions ready to support them. The banking system stumbled along. Inflation ravaged the economy. Criminal organizations arose from seemingly nowhere to extort money and eliminate competition. Today organized crime pervades Russia; it very likely the country most infested with and corrupted by mafia-like organizations on earth. For an excellent in-depth explanation of this Annelise Anderson's has written an excellent paper titled "The Red Mafia: A Legacy of Communism" that you can find at this website: <http://members.tripod.com/~orgcrime/ruslegacy.htm>

A modern economy needs a stable legal system with laws and courts that enforce and support contracts. In the USSR the court system was a sham that upheld the rule of the Communist Party, and there were no laws on bankruptcy or incorporation or patents etc....There was no real legal system to enforce contracts, to handle bankruptcies, to legally enforce civil laws. Russia has tried to create all of these, but it has had many difficulties.

The West has done its best to help Russia along. The IMF and the World Bank have loaned Russia billions of dollars to help it get started. The United States and Western Europe have given foreign aid, encouraged private enterprises to invest in Russia and provided experts to advise the government. But giving money to Russia was like pouring water into a leaky swimming pool. The water (money) went in, but it most of it soon leaked out and disappeared somewhere into the ground. Russia kept borrowing money and going further into debt while the economy moved into a depression generating little tax revenue.

In 1999 the economy started to grow again, helped greatly by oil revenue and foreign investment. The Putin government has provided political stability, and promised to respect the property rights of companies with foreign investors. Stock markets need stability and predictability. The Putin government was able to provide a good deal of both.

Late in 2003 the Putin administration arrested the country's richest man, oil baron Mikhail Khodorkovsky, supposedly because he and his oil company had violated the law in many areas. Khodorkovsky, however, was supporting politicians and political parties that were opposing Putin's party. The arrest came only months before elections were to be held to elect a new Parliament. Many outsiders saw the move as an attempt by Putin's regime to quash political opposition. Many investors worried that Russia was going after wealthy Russians to

curry favor with the public and increase Putin's control over the economy. Russia's stock markets lost almost 15% of their value in the month after Khodorkovsky's arrest.

Many political and economic observers worried about the trend in Russia to increase the power of the state in the economy. However, many believe that Putin understands how much Russia needs the IMF, the World Bank and investors from Western countries. All of them are telling him that the government needs to limit its control of the economy and allow private enterprises to operate without fear of government intervention or even nationalization. Putin and the new president, Medvedev, must accommodate the powerful financial forces of the West if they wish the Russian economy to continue to grow.

One of the most vexing economic problems Russia encountered was its effort to make the Russian ruble an internationally convertible currency. During the time of the Soviet Union the ruble was accepted only in the USSR and Eastern Europe. No other country or major business in the world would accept the ruble. In order for Russians and Russian businesses to buy goods from abroad they needed to be able to convert rubles into other currencies. Likewise, if a foreign company is going to invest in Russia it must know its possible costs and profits in a stable, internationally-accepted currency and it must have the assurance that it can transfer profits into its own currency. Russia, with great help from the IMF did, over a period of time, accomplish the task of making the ruble internationally accepted. However, in order to accomplish this, Russia has been forced to stop creating large amounts of rubles. As many of you know, the value of a currency is related to how much of it is created. The more of a particular currency in the marketplace, the lower its value-- normally. In order to maintain the value of the ruble the Russian government has had to stop printing up huge sums of rubles to pay its workers. It has been forced to do what most governments do--tax its citizens and businesses. Unfortunately, the tax revenue has been insufficient to pay most of the Russian government's employees. Because it can no longer pay all of its employees these employees have often stopped working. And since they get little salary they can't afford to pay any taxes. And without taxes the government....

This leads us to the collection of taxes. In the Soviet Union there were no taxes. The central government printed up money and paid citizens' wages. There were no businesses to pay taxes. When the government started taxing citizens there was no real agency that was set up to ensure that taxes were paid. Since citizens were so poor and had not paid taxes in the past most simply refused to pay. Businesses under-reported their profits or said that they had no profits to report. When the government instituted sales taxes people simply bought and sold products and did not record them in cash registers. It is estimated that up to fifty percent of goods and services in Russia are traded by barter or are completely off the books. The government is now having a little better luck with a value added tax, that is, a sales tax at the wholesale level. Still, Russians are being creative in avoiding this tax as well.

In reality, all countries rely upon their citizens and businesses to pay taxes voluntarily. No country can throw half of its population in jail or take ownership of most of the private businesses. In the USA the Internal Revenue Service checks less than one percent of returns. In Russia, most citizens believe their government officials are corrupt and incompetent. Why should they pay taxes to this government when it has done so little for them? The government has thrown a number of people into jail, but the vast majority can afford to ignore the government's threats; they will not be much worse off in jail than they are outside in their impoverished state.

The result of this is that the Russian government has had little money to pay its employees. The skyrocketing price of oil has given the government some money, but not enough to pay for all the needs of the people. In Russia the educational system and the health system are still part of the national government's responsibility. The government has not been able to pay its teachers, doctors or other educational and health employees decent wages. This has led to a rapid deterioration of these systems.

The health system is a particular disaster. The government has very little money to pay for adequate facilities and the people outside of Moscow have very little ability to pay for health care out of their own pockets. Life expectancy in Russia has continued to deteriorate since the fall of the USSR. Men now have a life expectancy of about 58 years. During the last decade of the USSR it was just under 70. Today the death rate in Russia is almost twice the birthrate. The country is losing population every minute. The population in Russia was just under 150 million in 1993. Ten years later it was a little over 140 million. There are predictions that say if the present trends continue that Russia will have a population of about 100 million by 2050.

One of the worst problems in Russia is alcoholism. Some studies estimate that at least 30% of males and 15% of women are alcoholics. Many others abuse alcohol on occasion. Vodka has always been both cheap and admired in Russia. The government now taxes it, but not much—fearing public backlash.

Boris Yeltsin, Russia's first semi-democratically elected president, was an alcoholic—and not an abstemious one. One never knew if and when he would appear at international conferences or long-scheduled meetings with foreign heads of state. Perhaps the only other countries in the world with similar alcohol problems are ex-communist countries in Asia and Eastern Europe

AIDS is threatening to ravish the Russian population. With little government funding to treat people who are HIV positive it appears that many will die in the near future.

Russia is looking at a present where its children may well be more ignorant than their parents, where life expectancy is dropping rapidly and crime is increasing and becoming more organized and violent. The military is a shadow of its former self. Soldiers are sometimes forced to beg for food. Weapons are becoming more obsolete; nuclear-tipped missiles lay rusting in their silos while the West worries that they will be sold to terrorist organizations or will explode or be fired by accident or by malfunctions in the computer software that controls them.

In short, Russia is in a deep trouble and does not seem to know how to dig itself out. Nor does it know how to create democratic organizations capable of inspiring the confidence and allegiance of its people. It does have much in its favor, however. It possesses a highly educated populace. Russia has vast natural resources, including the world's largest fields of petroleum and natural gas. Since prices for oil have gone up so rapidly it has given the Russian government an infusion of much-needed cash. This has been a huge help and has recently pushed the economy to new growth.

Russia has a decent transportation and power system. It has the knowledge and a good deal of money that the international community has put at its disposal. It remains one of the five permanent members of the United Nations Security Council. And it still possesses a large nuclear arsenal.

Russia will need time to create the institutions and culture necessary to advance economically and politically. Habits of the mind are slow in creating and slow in changing.

The greatest fear of the international community is that the Russian people will give up, revert to their authoritarian mindset and allow another dictator to seize power. There is tendency for humans to look for easy answers. The easy answer for Russians now is to choose a dictator who will promise to solve all their problems for them. It was, after all, the political humiliation and economic disaster that befell Germany after WW1 that created the conditions for Adolph Hitler to come to power.

I **Minorities**

There are minorities of some types in every country. In most countries there is a minority “problem” in the sense that those in the minority usually feel discriminated against and these feelings often result in violence or in behavior that the majority feels—and in reality often is--undesirable in some way. The way that governments respond tends to either lessen or exacerbate these behaviors. In this chapter we will look at the minority phenomenon in a general sense and then discuss briefly Russia’s situation regarding minorities.

There are three major factors (there are many others that can come into play) that predict the extent to which minority and majority groups are likely to come into conflict. These factors are the degree to which the groups are different, what it is they are in conflict over, and finally the history between or amongst the groups.

Ethnicity is usually the most important factor in determining how different groups are. An ethnic group is a cultural group (it should be noted that the word “tribe” is sometimes used instead of ethnic groups); it is a group with its own particular customs or values. Cultural groups usually have different ways of treating parents, children, elders and those in authority. They have different customs regarding sexual behavior, eating practices and personal hygiene. They have different political customs. Ethnic groups often are genetically different. Their hair, skin color, height and body shapes may be different. And, very importantly, they often have their own language.

Another consideration regarding differences between groups is religion or view of the world. It should be noted that religion is often part of a culture, but for our purposes it is best to separate it. What often comes to mind when one mentions different religions are the major ones, Islam, Christianity, Buddhism, Judaism, and Taoism. It is true that people of different religions often have difficulties with each other. It is also true is that there are major splits or separations within religions that separate people. Catholics and Protestants are Christians, but clearly they have fought each other for centuries. The biggest split in Islam is between the Sunni and Shiite sects—in Iraq, for example, this is the most important factor separating people who otherwise have very similar cultures. There are different sects in other religions as well.

Put simply, the more different a particular group seems from you the more alienated you are likely to feel from them. They are not “our people.” It is much easier to do bad things to those who are not “us.”

There is no reason for people of different ethnic groups and different religions to come into conflict unless they are in competition for something. Historically the most important thing has been land. For example, the conflict in the Middle East between Arabs and Israelis has little to do with religion. It is essentially about land and the resources (such as water or oil) contained in or under the land. The second most important thing that causes conflict is control of political power. Those who have political power determine who gets what and who pays what. Those in political power get to write the rules. They determine what the laws are and who will administer them. It is normal for people to complain about those in power, but it is infuriating when those in power are not your “people” and when they were imposed upon you rather than chosen. Usually if those in power are not of your ethnic group they impose laws or taxes or create government programs that discriminate against you. Discrimination is not always deliberate or conscious behavior. When one is not aware of the needs and wishes of others, one often ignores them.

The last factor to take into consideration is the history, or the remembered history between or amongst ethnic groups. Hatred between ethnic groups is usually something that has been around for some time. It is something that has been passed down from generation to generation. What actually happened in the past is often less important than what was **said** to have happened by one's parents and relatives. Racial, ethnic or tribal prejudice is **learned**. One cannot understand the situation in Northern Ireland, or in Spain with the Basques or in Canada with the native French-speaking people without some knowledge of what happened centuries before. What is seen in the present is often an eruption of something that was planted in the past and the circumstances now are such that they explode into the present. There had been peace amongst the ethnic groups in Yugoslavia for over two generations when the savagery erupted in the early 1990's. In a period of a few months they turned on each other and slaughtered thousands. Similarly in Ruanda, the Tutsis and the Hutus had lived in relative peace for several generations before a murderous rampage erupted, killing hundreds of thousands in a few weeks. In international relations it is axiomatic that one cannot understand any country unless one understands its history. The same is true of conflict between or amongst ethnic groups; one must understand the history between or amongst the ethnic groups in order to be able to understand the present.

The three factors discussed briefly above are central to understanding conflicts amongst different groups within countries and indeed even outside national borders. One could say that these factors cause the pot to simmer. However, two other factors usually cause the pot to boil over into violence: catalytic events and leadership.

The ethnic savagery that occurred in Bosnia-Herzegovina came after the death of Josip Broz Tito, the long-time dictator of Yugoslavia who imposed peace amongst the different ethnic groups. The break-up of the Soviet Union presented an example to the different ethnic groups that they, too, could form their own countries with their own “people”. Similarly, the U.S. military incursion into Iraq removed Sadaam Hussein and his Baath party from power—they had forcibly imposed peace amongst the different groups in the country. With Hussein and the Baath party removed the different ethnic groups (Arabs and Kurds) and religious sects (Sunni and Shiite) soon started fighting amongst themselves. The dictatorship of Mohamed Siad Barre was overthrown in Somalia in 1991 and since then the various ethnic groups have been fighting each other.

There are many other examples of catalytic events, but these events become explosive usually only with a person or a group who stoke the hatred. In Bosnia-Herzegovina the president of Serbia, Slobodan Milosevic, inflamed hatred of those who were not Serbian. In Ruanda, the leadership of the Hutu militias pushed that country into brutal ethnic violence after a Hutu president had been killed—very possibly by Hutus. In the United States the Ku Klux Klan preached hatred against blacks and non-Christians for many years. Any discussion of leaders who preached hatred would have to include one of history's best or worst examples of a person who led a nation to murder millions: Adolf Hitler.

The Minority Situation in Russia

The majority ethnic group in Russia are Slavs, however, in Russia most Slavs refer to themselves as "Russian" —and consider other ethnic groups as not really Russian. There are hundreds of religious and ethnic minorities in Russia. Most minorities are small, but some number in the millions, like the Tatars, Kazaks, Bashkirs, Chuvash Bulgars and, most notably, Chechens. Amnesty International and other organizations have received many reports of abusive behavior towards minorities in Russia. Most minorities, however, are small in number, speak Russian in addition to their native language, and have learned to live with their minority status and the discrimination that often occurs. The major exception is the Chechens, most of whom live in the so-called "Federal Republic" of Chechnya.

Clearly many, probably a majority of Chechens, hate Russians—and many Russians reciprocate these feelings. Chechens fit all three categories that predict conflict with the majority. Chechens are ethnically different from the Russians. Although many do speak Russian, they have their own language; they claim a different genetic background and they clearly have substantially different customs. The majority of Chechens are Moslems, whereas most Russians are either atheist or follow the Russian Orthodox religion. The Chechens and the Russians are fighting over something very important—political control of their land. "Political control" means who makes the laws and who benefits economically from the possible oil or oil pipelines that will go through the country. Most importantly, though, the Chechens and the Russians have a long history of conflict.

The history between Chechens and Russians goes back centuries. In 1859 the Russians finally succeeded in winning military control over most of Chechnya and declared it part of the Russian empire. In that period and before there were many stories of brutality of Russians against the Chechens and Chechens against Russians. During the communist revolt in 1917-18 Chechnya declared itself independent from Russian, but it was again brought back into the empire by overwhelming military force in 1922. During WWII Stalin claimed that the Chechens collaborated with the Nazis and after the war used the Russian military to forcibly remove every Chechen that they could find from Chechnya and sent them to Siberia and other parts of central Asia. Reportedly thousands of Chechens died during this forced removal. Under the dictator Khrushchev the Chechens were allowed to return in the late 1950's. In 1991 when the Soviet Union collapsed and many of the former parts of the Soviet Union declared independence Chechnya attempted to do the same. Fighting between the demoralized Russian military and the Chechens was sporadic until 1999 when Russia, now headed by Vladimir Putin, decided that Chechnya had to be brought back into Russia completely. What followed was a vicious war where brutalities were commonplace by both sides, but Russians clearly were superior in numbers and in armaments. Russia was able to install a president of Chechnya that supported Putin and the Russian federation.

There have been several “terrorist” actions against Russians that have been attributed, at least in part, to Chechens. Two received world-wide attention. First was a 2002 seizure of Moscow's Dubrovka Theater, where some seven hundred people were attending a performance. Russian Special Forces tried a rescue operation that ended up killing more than 120 hostages and most of the hostage-takers. Then in 2004 a school in North Ossetia (near Chechnya) was taken hostage by attackers led by a Chechen. More than three hundred people died in the three-day siege—most of whom were children.

Today there remains a fierce rebel resistance to Russian control. The government of Russia permits little media coverage of the situation in Chechnya, either by domestic or foreign sources. There are relatively consistent reports of brutality against Chechens by the Russian armed forces and also by the Chechens against the Russians and those they consider sympathizers. There is every reason to believe that the conflict between Chechens and Russians will continue into the foreseeable future.

For Russia there is much at stake in Chechnya. There is some oil in the fields in Chechnya, but not all that much. For Russia, Chechnya is in a logical geographical position for oil and gas pipelines from Russia to other parts of Asia. More importantly, however, is the consideration that if Chechnya can separate itself from Russia, then why not other parts which are ethnically distinct—particularly the neighboring Moslem areas of Dagestan and Ingushetia. The fear is that the rebellion will spread if not stopped in Chechnya. Clearly the Russian leaders have no intention of allowing Chechnya to become independent. Just as clearly, however, many Chechens hate being controlled by the Russians and will not cease their efforts against Russian troops and quite possibly the Russian population in other parts of the country.

India

There is much to learn about India. It is both an ancient civilization, (and a group of ancient civilizations) and a young nation. Its population is now over one billion. The per capita income is about \$2,500, (that of the USA was over \$40,000 in 2009). Per capita income is an average; since most wealth in India is held by the upper and middle classes, the poor, about one-half of the population have almost no personal wealth and earn perhaps a dollar or two a day of income. India is a country where hundreds of different ethnic groups coexist, sometimes peacefully, sometimes not. As we will see later, there is a secessionist movement in Kashmir, but there are many areas of India that do not feel "Indian". The state of Assam in the Northeast in particular has been seething with discontent for many years.

India does not have a language that most people speak. Hindi is the most common language and one that the government considers "official," but less than half of the population speaks it. The other official language is English. Since India was a colony of Great Britain for over a hundred years most of the educated people speak English and studied in schools where English was the primary language. There are seventeen languages that are officially recognized by the constitution of India, but the 1961 census of India recorded 1,652 mother tongues, of which at least 200 had over 10,000 speakers.

The economy of India has been largely socialistic. That is, most of the major industries of the country have been owned and operated by the government. However, major private industries have been allowed to exist by the central government and now have tremendous political influence at the national level. India has come late to the free market movement. It has privatized some industries, encouraged foreign investment and lowered tariffs. Yet it is still a highly centralized economy controlled largely by the national government. As with many other countries, the IMF, the World Bank and many other international financial organizations are pushing it to further privatization and decentralization. India has been experiencing an economic growth rate of over 9% in the 21st century. Even the economic tailspin that most Western economies experienced beginning in 2008 only slowed the growth rate to around 8%. India, which still has a tightly government owned/controlled financial system did not experience the financial turmoil experience by the USA and most other Western economies.

There is one major peculiarity about India that must be understood in order to comprehend social, economic or political realities: the ancient and still-powerful caste structure. The caste system has divided the Hindus (comprising around 80% of India's population) for centuries. There are four major castes, the Brahmins (priests, and custodians of sacred knowledge),

Kshatriyas (warriors and rulers), Vaishyas (traders) and Sudras (persons performing manual labor and menial tasks). These four castes are further divided into about 3,000 other sub-castes known as "jatis". Castes are set up in hierarchical order with the top Brahmins having the most power and prestige and the lower jatis of the Sudras, sometimes called the "untouchables", having the least. In rural India those of the same jati live together, marry only amongst themselves and frequently have their own language or dialect.

In the larger cities caste is less important, yet it still is something that Hindus want to know about each other because it informs them about the culture and background of people they meet.

Caste colors almost every political topic in India. It is giving way slowly to a more egalitarian culture, but the progress is slow. Customs that are so deeply ingrained cannot be done away with in a generation or two.

The colonization of India by the United Kingdom has had long-lasting and significant effects on India. Before the British colonization there was no country of India. It was a sub-continent comprised of many different peoples with many different languages and cultures. Kings, maharajahs, princes and other rulers controlled different parts of the country we now know as India. It was the fact that British treated it (administered it) as one colony that created the possibility in the twentieth century of India as a country. This makes India very similar to many African countries that were created by the Europeans and where the populations had no sense of being a nation at the time the countries were founded.

The fact that India is largely democratic is also due in great part to the British. The creators of modern India were educated in British schools and imbued with democracy as part of their education. Although England (more correctly referred to here as the United Kingdom) is often criticized for its colonial practices, most of its ex-colonies have become successful democracies--the United States, Canada, Australia, New Zealand and South Africa are examples.

This leads to the discussion that was initiated in the chapter on Russia--the factors that must be considered when one is measuring or trying to understand the democracy of a given country.

First is tradition or the habit of the mind. How deeply imbedded is democracy in the tradition and mindset of the country? India was created in 1947 and essentially began its democracy then. Two generations have now lived under a system that has been at least semi-democratic. Democracy has taken hold in the minds of most Indians. Not, however, to the same extent in all parts of the country, nor in all castes, or genders. Democracy began in India amongst the elite. Perhaps only 3% or so of the adult population participated in any meaningful way when the country started. A larger percent voted, but many voted as their leaders instructed them. At the beginning few women voted, almost none who were of the lower castes. Now many are voting, but it is impossible to know to what extent they are instructed by their husbands or relatives. Clearly, many of the castes vote together for members of their own jatis, following instructions of leaders in their villages.

A second major consideration is at what level is power situated. If most power is placed in the hands of the national government, as it has in India's case, then each individual has almost no

say in the laws or the people who make the laws. India has over six hundred million potential voters. One can look at that as each individual voter has one six hundred millionth of a say in the outcome of the national elections. If one defines a democracy as a political system where people control their government, then a country that leaves little power to individual citizens is not very democratic. India is slowly moving to give more power to the 28 states and 7 Union Territories, and these in turn are giving more power to cities and other local forms of government. (It should be noted that law enforcement is controlled mostly by the state and local governments, not the national government.) It seems that when people are given a choice they vote often for leaders who promise to give more power to lower levels of government--which are more responsive and controllable by the people.

The constitution of India has given a great deal of power to the national government. It can suspend the government of any state when it wishes to. Although voters in each state elect their own representative body, the president of India appoints the governor. He will usually appoint the choice of the state's parliament, but he does not have the legal obligation to do so. The national government has the power to pass laws in almost all areas that must be followed throughout the country. It can change the territorial boundaries of any state it wishes and the constitution does not allow for a state to leave the Indian nation. So, while there is a current devolution of power underway in India, the national government clearly holds the upper hand. This does not bode well for true democracy.

A third factor that is important in understanding the democracy in a country is the level of literacy. About 35 % of the adult population of India cannot read or write. One can only guess at the percentage of the semi-literate. The educational level of the people affects the level of political debate. How much can a person really know or understand if he or she has never been to school? How much of a choice does one have if one cannot understand the choices? Can one rely upon the illiterate to choose a wise, sensible government? The answer is usually no. This is one reason that democracy has proceeded so slowly in India.

Tightly linked to literacy is the sociology of gender. Traditionally women in India have been considered second-class citizens-- not by the law, but by custom. Most illiterates are females; perhaps 50% of the female population cannot read or write. In the lower castes the number is much higher. Although Indira Gandhi was Prime Minister for many years, she was the exception, placed into power by the fact that her father and uncle were great leaders of India. In reality, females have little economic, political or social power in India. The illiteracy, poverty and political weakness of females are all intertwined. Democracy has some assumption of egalitarianism, at least in a political sense. The subservient role that women have been placed in India by custom and by the Hindu and Moslem religious practices and customs in India have made it difficult to achieve a thorough democracy. For a frightful account of the abuse of Hindu women in rural areas look here: <http://www.hartford-hwp.com/archives/52/033.html> . For a more complete description of the plight of most women in India read this article by Sonali Verma <http://www.hartford-hwp.com/archives/52/034.html>

Another factor to be considered is the media. Democracy requires a free, open discussion of issues and personalities. For this to happen the mass media must be relatively free of government and business control, have enough sources to provide competition for customers (readers, listeners, watchers) and be of national and regional scope. Unfortunately for India, a country with a high illiteracy rate, the most open and competitive media is that of newspapers, magazines and the Internet. The least competitive is radio, where only the government-

controlled stations can transmit news legally. Somewhere in-between is television. Up till 1992 the government controlled television completely. Up until 1996 the government kept tight control over television access, limiting satellite hook ups during elections. In the election of 1998 the government allowed almost unfettered satellite connections and many different regional television networks began to cover elections. The coverage was mainly of the election itself, rather than the campaign before which would have allowed more exposure to issues and individual politicians, but it marked a major change in government policies. The first decade of the 21st Century has ushered in considerably more political competition over television and even the radio and thus provided the less educated with a better opportunity to understand issues and personalities.

Newspapers in India are amongst the freest in the world. Literate Indians do have access to a great deal of information. The media in India has recently developed a tendency to bait and catch crooked politicians. They secretly videotape conversations and then broadcast them to the nation. This has become a great national sport.

Language, of course, will remain a barrier to national discussions, regardless of the quality and openness of the mass media.

A final factor to be considered here is the role that political parties have in creating democracies. In the Russia chapter it was mentioned that political parties are absolutely indispensable to democracies. The number and reach of parties are also important factors. For over thirty years India really only had one major national party. It was (is) called **The Indian National Congress** or simply **Congress**. A political party that has no major opposition inevitably begins to rot. Party members have no organized opposition to expose illegality, and even when exposed there is little desire to punish the guilty who are of the same party. This happened to the Congress party. There are many honest politicians in Congress, but there are thousands of crooks who have used government to enrich themselves and their families and friends. In the past ten years or so a new national party has arisen-- the **BJP** (Bharatiya Janta Party). The BJP started out as a strident religious party whose intent it was to make India a nation that followed the strict precepts of Hinduism. It had great initial success but soon found out that it could never become a majoritarian party if it espoused such a narrow doctrine. Recently it has become more moderate, less offensive to the many minority religions of India. The last Prime Minister, Mr. Vajpayee, was of the BJP. Currently the Prime Minister is once again from Congress, Monmohan Singh. Mr. Singh is from a minority ethnic and religious group—the Sikhs.

Today there are four major national parties in India, Congress and the BJP being the most powerful. This should improve competition and work to clean up national politics. Most parties in India, however, (there are more than fifty) are regional, state or local parties controlled by Hindu jatis, Moslem sects, or other ethnic, religious or geographical entities. Many have little competition in their particular enclave and because of this many members are dishonest people who use government mainly as tools to help themselves, their families and those who pay them.

At the national level the competition is fierce, but there are now so many parties involved that the ruling governments have become unstable and often find themselves making promises to small, regional party officials who care little about India and a great deal about themselves. This instability has hampered economic progress. International business requires stability and

predictability in governance. India is going through a period when these two qualities are difficult to achieve.

Kashmir

A separate issue that is of interest to us as students of international politics is the situation in Kashmir, a valley surrounded by mountains. Kashmir contains about 12 million people and two important rivers that supply water and hydroelectric power to other parts of India. (Yes, this is the site where the famous Cashmere wool originates.) The Kashmiri people are primarily Muslim and have a very definite sense of themselves ethnically. In 1947, because of bloody conflicts between Muslims and Hindus the British separated Pakistan and also East Pakistan (today Bangladesh) from India. The territory of Kashmir was given the opportunity to choose between India and Pakistan. At the time Kashmir was controlled by a Maharajah who decided that Kashmir should become part of India. After promising a plebiscite of the Kashmiri people over the issue of annexation, India attempted to take over all of Kashmir. Pakistan immediately objected and a military conflict ensued. Since that time Kashmir has been partitioned and boiling politically.

The government of Pakistan feels that if the Kashmiris were allowed to vote they would choose to become part of Pakistan. The Indian government has insisted that Kashmir is part of India and that the issue is non-negotiable. Most of Kashmir is under the control of India, but a large portion is under Pakistani control and China occupies a smaller part. In political science this is called irredentism-- a situation where an ethnic group that is geographically united exists within the borders of more than one country. In the Middle East the Kurds are the most famous people who suffer this fate. In Europe the Basques live in northern Spain and southern France. There are many ethnic groups in Africa who experience irredentism. It seems clear that the majority of the people of Kashmir would like their own country or at least major autonomy within India and Pakistan. Neither country is willing to even discuss a separate country and autonomy does not appear high on either country's agenda. What is happening is that the Pakistani military has armed Kashmiri men and supported their violent campaign against Indian control. India and Pakistan have stationed tens of thousands of troops near the border and clashes between the two militaries are common. What is now making the situation more dangerous is that both countries possess nuclear weapons. There is the clear possibility that the situation could get out of hand.

Looking at this situation from outside it is difficult to understand. Why not let the people of Kashmir have their own country? It is costing Pakistan and India hundreds of lives and billions of dollars to support military contingents in the area. It is putting both countries at risk of a nuclear war. Almost no one is happy with the current situation, yet no satisfactory resolution is in sight.

The situation of Kashmir is similar to many others internationally. There are separatist movements in many countries of the world and, almost universally, the movements are

suppressed. Often it is primarily a case of national pride or nationalism. It seems that the citizens of a country feel somehow diminished if a part of "their" country wishes to leave. Very often violence becomes the only way of achieving the goal of independence. This was certainly the case of the United States. The British refused to allow the new American states their independence. A little more than a half-century later that same nation refused to allow southern states the opportunity to secede.

Seldom, however, is it simply pride that is involved. Often the part that wishes to secede has valuable assets that the country does not wish to relinquish. This is certainly the case in Kashmir and India. Two very important rivers flow through Kashmir into India. An independent Kashmir might obstruct India's use of that water. Also Kashmir is a relatively wealthy valley, bringing in much-needed foreign currency through the sale of its rugs, cloths and other products. The high peaks of the mountains in Kashmir can become important sites for communications, spying or launching military attacks.

Nevertheless, an important consideration in these situations is the freedom of people to control their lives. The Kashmiris, Kurds and others wish to be governed by their own people, have laws passed in their own languages respecting their cultures. The nationalism of Indians, Pakistanis, Turks, Iraqis, Serbs and others have made this difficult to achieve.

This is not to say, of course, that if these people were given independence they would be able to have democratic governments or even efficient governments that protect their peoples. Also, it is not at all clear that independence would result in any improvement in these peoples' economic conditions. This is similar to the millions of young adults who leave home; freedom is often more precious than economic and physical discomfort.

The Minority Situation in India

India is a country of minorities. There is no ethnic majority. There is no language that the majority of the population speaks. As stated earlier, there are 17 officially recognized languages in the constitution of India, but there are over 1000 languages spoken in different parts of the country, 200 of which have over 10,000 speakers. If there are over a thousand "native" languages spoken in India that means that there at least that many ethnic groups—and generally ethnic groups prefer their own. Although the majority of the population identifies itself as Hindu, the reality is that the most wide-spread discrimination in India is between and amongst the different Hindu castes. Although discrimination is prohibited by law, it is a fact of everyday life for many if not most Indians.

Human Rights Watch, in its World Report 2009 had this to say:

"...the Indian government lacks the will and capacity to implement many laws and policies designed to ensure the protection of rights. There is a pattern of denial of justice and impunity, whether it is in cases of human rights violations by security forces, or the failure to protect women, children, and marginalized groups such Dalits, tribal groups, and religious minorities. The failure to properly investigate and prosecute those responsible leads to continuing abuses."

“While law enforcement is needed to end the violence perpetrated by militants, India continues to provide extraordinary powers to its troops and grants them immunity from prosecution when they abuse those powers and commit human rights violations.

The Armed Forces (Special Powers) Act was enacted on August 18, 1958, as a short-term measure to allow deployment of the army in the northeast. The law has remained in force in various parts of the country for five decades. It provides the armed forces with sweeping powers to shoot to kill, arrest, and search in violation of international human rights law. The law has led to widespread human rights abuses and protects troops from prosecution for such crimes.”

Clearly there is much discrimination in India. A thorough discussion is beyond the scope of this text—there are simply too many groups that suffer discrimination and that discriminate against others in India to cover adequately here. There are three groups however that merit special consideration, primarily because of their large numbers: the Kashmiris (discussed separately in this chapter) the Dalits or the “untouchables” and the large Moslem population.

The Dalits or untouchables are at the bottom of India’s caste system. It should be noted that the caste system is prevalent mostly in rural India, but in urban society prejudice against the Dalits occurs also. The discrimination is not legal. India has passed many laws prohibiting discrimination against castes and has created programs that actively seek to improve their opportunities. The national government has programs that it sometimes calls “positive discrimination” (similar to affirmative action programs in the USA) where Dalits are given preferential treatment for university admission and government jobs. Many government officials do not prosecute discrimination, however. In reality a law isn’t really a law if it isn’t enforced, and in India the prosecution of discriminatory acts is uneven at best.

Human Rights Watch in a report called “Hidden Apartheid” which was produced as a “shadow report” to the UN Committee on the Elimination of Racial Discrimination in 2007 had this to say.

The practice of “untouchability”—the imposition of social disabilities on persons by reason of their birth in certain castes—discriminates against more than one-sixth of India’s population. 1 Dalits, or so-called untouchables (known in Indian legal parlance as scheduled castes), are denied access to land, forced to work in degrading conditions, and routinely abused at the hands of the police and of higher-caste groups that often enjoy the state’s protection.2 In what has been called India’s “hidden apartheid,” entire villages in many Indian states remain completely segregated by caste....Dalits are systematically discriminated against and abused by public authorities and private actors, who act without any fear of punishment as they rarely face sanctions for their violations of Dalits’ fundamental rights.

It should be noted that this discrimination is centuries old. It is deeply rooted in the social fabric of India and therefore extremely difficult to eliminate. There is a deep social segregation in India. The lower castes are shunned by the upper classes. In villages and cities they are forced by discrimination and poverty to live in the worst conditions. Crimes against these castes are often not investigated by the police, or, if investigated, the perpetrators are often simply not prosecuted. Rape of Dalit women is frequent as is torture and mistreatment of “untouchables” by security forces, especially by local police.

As mentioned above the social discrimination against the Dalits is deeply rooted and one can expect that it will take generations for it to lessen appreciably. Once the social and political discrimination lessons the Dalits will still be left with the other extreme burden they carry—poverty.

Discrimination against Moslems

The other major discrimination to be discussed here is that against the Moslem minority. For about 500 years before 1857 Moslems were in control of most of the areas which now includes the present-day countries of Pakistan, India and Bangladesh. In that year there was a revolt against the British who had gained military control of much of the continent. The British crushed the revolt; essentially made all of the area a colony and began to remove almost all Moslems from power. According to some authors the literacy rate of Moslems prior to 1857 was almost 100%. Afterwards the literacy rate plummeted and Moslems suffered from pervasive discrimination on the part of the British and the Hindu elite.

As mentioned previously, what the British called “India” was partitioned in 1947 following terrible riots by Moslems vs. Hindus. Reports are that in one year around 18 million people moved and thousands died. Hindus fled to the country now called India and most Moslems went to the countries now called Pakistan and Bangladesh. Almost all of the Hindu population was left in India; however, a significant number of Moslems were left there also. Today, somewhere around 14% (about 140 million) of India’s population follows the religion of Islam. The animosity towards Moslems by the Hindu majority runs centuries deep—this animosity is reciprocated by many Moslems. To be clear, most Hindus and Moslems get along in modern India. In the major cities there is much integration, but there are many villages that are completely Moslem or Hindu in India and in the cities there are places where virtually only Hindus or Moslems live. There are radical elements in both Hindu and Moslem society that preach hatred and stoke it by acts of violence.

The most recent act of violence occurred in Mumbai (formerly known as Bombay) in December of 2008. Moslem militants, most apparently born in Pakistan, killed over 160 people in a coordinated attack that occurred in ten different locations in the city at the same time. All of the terrorists, who shot people indiscriminately, were Moslems and most, if not all, were from Pakistan. The only terrorist who was captured alive was from Pakistan and had studied at a school that has produced other radical Moslems. Prior to the Mumbai attack the worst violence occurred in 2002 when approximately 2000 Moslems were killed in several Indian cities during riots that were supposedly brought on by previous Moslem attacks on Hindus. India’s history is replete with violent incidents between Moslems and Hindus.

The differences between Moslems and Hindus in India are significant. In addition to differences in religion they are of different ethnic groups, they speak different languages; they live mostly apart and they have a long history of violence and hatred. The alienation of the Moslem minority is increased by the fact that they have little political power. They are dependent upon the Indian government to protect them—and the Indian government has, in many cases, proved to be unresponsive to their plight. In most of India there is little conflict over land between Moslems and Hindus. To a large extent they segregated themselves many years ago. The one major exception to this is Kashmir. To many Moslems in India this is an open sore that continues to bleed. It seems probable that had India permitted Kashmir to either join

Moslem Pakistan or to become independent it would have saved itself many thousands of lives and billions of dollars.

There are factors that are at work in modern India that should, over time, reduce discrimination. English has proved to be a unifying language. Most educated Indians speak English. As time goes on one expects that the percentage of the Indian population that is educated will increase. Also, educated people tend to be less prejudiced. Prior to the deep world-wide recession that started in 2008 India was growing rapidly economically. Tensions between and amongst different groups tend to lessen when prosperity increases. Linked to this economic growth is the modernization of India. The Indian population is becoming more urban, educated and mobile. In most countries prejudice is worse in rural areas where people have little contact with others. Urban dwellers interact more with different cultures and usually become more accepting of differences. As people come to know each other more through their work and other activities they tend to understand and accept each other more.

Another factor is that as populations become more urban and educated religiosity lessens. The percentage of people who go to churches, synagogues, mosques and religious shrines decreases. This has been occurring in the Western world for hundreds of years. It has occurred in much of India's educated population. It seems probable that this trend will continue, and if it does, it should lessen tension between those who have different religious beliefs.

Finally, the fact that everyone in India is an ethnic minority has made people keenly aware of prejudice and its damaging effects economically, socially and politically. The Indian government has over time passed more laws making discrimination illegal and has made increasing attempts to address the economic and political effects of past discrimination. One would expect this to continue in the foreseeable future.

Although there are positive signs for the future one should understand that the prejudices felt and experienced by much of India's population is deep, longstanding, and has a history of remembered violence.

Japan

Japan provides the student of international politics with many lessons. It is a successful democracy and, in spite of a lack of natural resources other than its people, it is one of the most productive economies in the world. In the latter part of the 1990s its economy began to stagnate, but it regained some of its footing at the beginning of the 21st Century. This brief essay will touch on some of the reasons for Japan's past successes and present difficulties.

Some Reasons for Japan's Economic and Political Successes

Clearly Japan's educational success is one of the secrets to its economic productivity and its democracy. The Japanese take education very seriously. Japanese school children spend 240 days a year in school—compared with about 180 in the United States (depending upon the state one lives in). Some estimates have the Japanese spending around 10% of family income on education as compared with 2% in the United States. Japanese students are at or near the top of educational achievement in mathematics and science in international comparisons. (Students in the USA score very low in these areas compared with most other developed countries.) Approximately 97% of Japanese students who start secondary school finish, as compared to about 70% in the USA.

Although there is much cronyism in Japan's economic and political system, as we will discuss later, Japan's educational system is based almost entirely on merit. Students who score the highest on junior high school tests go to the best secondary schools and those who score highest on the achievement tests after secondary school get to go to the best universities. Wealthy parents cannot buy their children into the best schools—although they can afford the best tutors to teach their children to prepare for the achievement tests. Perhaps as much as any country in the world, Japan graduates its best and brightest from its best universities.

At the base of Japan's democracy and its economy is a highly educated population. It should be noted that it is the **value** that the Japanese culture places on education that underlies this achievement. Many other Asian people share this value. South Korea, Singapore, Taiwan, and

Hong Kong similarly have highly educated populations and students who routinely score near the top in international competition in mathematics and science. It should also be noted that the Japanese and most Asians value practicality. Their educational systems reflect this in that the applied sciences receive the most resources. Language, the Arts and Law receive much less emphasis.

Another value that the Japanese have is hard work. Clearly they are one of the most industrious people in the world. It is not uncommon for Japanese men to work six days a week and often up to twelve hours a day. To a large extent, work is life for many Japanese. Most of their social contacts are with the people they work with and their families. The Japanese take great pride in their work. "Made in Japan" are now words that signify quality and reliability. Unfortunately work is often taken to the extreme and many Japanese do little else than work. In fact, many men seem to literally work themselves to death. Japanese men die at a much earlier age than women and seem to be vulnerable to stress-related diseases.

There is one quality of the Japanese culture that explains much of the successes and difficulties of modern Japan. They believe in working together to better Japan and themselves. The cohesion in the Japanese society is unmatched by any other country in the world. Children are taught to not stand out; they are taught to help their class. Winning is not a great ideal in Japan, because it often means that someone else will lose face. Culturally it is very impolite to disagree; one can do so amongst one's closest friends, but at work or in other matters the Japanese try to look for agreement rather than differences. They value giving up one's individuality to the group.

Often one will see the words "Japan Inc." to signify the country of Japan. This describes the close relationship that the Japanese government has with the major industries. It is difficult to know where industry ends and government begins—or where government ends and business begins. As explained later, labor unions in Japan exist, but they are usually controlled by the industry where they are located. Workers and employers have an obligation to get along.

Within government in Japan there is a major distinction between the bureaucracy and elected officials. Generally, the best students from the best universities in Japan go into the Japanese government's bureaucracy when they graduate from college. Twenty or so years later these same people retire from government on full pension and accept lucrative jobs with private businesses. Japanese elected officials usually allow the bureaucracy to set most government policy. (In the USA, of course, it is the other way around, usually.) Bureaucrats see their jobs primarily as facilitating business for Japanese firms.

In the United States and other Western democracies there is a split between government and business and often between labor and business. Usually there are at least two political parties that look after the interests of one of these interests primarily. In the USA, for example, the Republican Party favors business, while the Democratic Party is favored by labor unions. In the U.K. the Conservative Party represents business and Labor represent workers. In Germany the Social Democratic Party (SDP) has represented workers while the Christian Democratic Union (CDU) is more representative of business interests. In Japan there really is no powerful independent labor movement. Workers are usually loyal to their company and see themselves as part of the company that will share in its long-term success or failure. There is, therefore, no corresponding political party to represent labor and challenge the policies and politicians that favor business.

In fact, there is a powerful cultural anathema attached to disagreement and discord in Japan. People are supposed to get along, workers and supervisors are not supposed to disagree. Instead of competition the operating word in Japan is "consensus". The bureaucracy and the top business leaders have approved policies adopted by the Japanese government before they are implemented.

In business consensus is promoted by giving many employees the assurance of lifetime employment when they are hired. Most major Japanese firms consider their employees as part of an extended family and provide benefits unlike any in the West. It is common for Japanese firms to build apartment complexes for their employees and charge them about 20% of what the same apartment would cost on the open market. In turn, the employees see the business as their own. The business will provide for their retirement, their health benefits and for guaranteed promotion over the years. This also gives businesses incentives for upgrading the skills of their employees. They have the assurance that the employees will be there for many years and therefore an investment in improving their skills is seen as worthwhile.

In the workplace there is exceptional cooperation amongst workers at all levels. They share the same goals. This partly explains the great success of Japanese firms like Sony, Honda, Nissan, Toyota, Mitsubishi and others. These companies and their workers stress quality and service. They are willing to take small profits and dedicate themselves to continually improving their products, because they think long term. The people who work for these companies expect to prosper with these companies in the future.

The first thought of Japanese government is to improve the success of Japanese businesses at home and abroad. This is one of the reasons that Japan gets along so well with the USA and Western Europe. This is where the money is, where the customers are. This is also why Japan has invested so heavily in South Korea, Taiwan, Singapore and other Asian countries. This is where the future business will be.

Understanding Japan's politics and economics means that one comprehends the importance of four words that begin with the letter "c" in English. Cohesion, consensus and cooperation are words that explain a great deal of Japan's successes. One other word fits well also, however, and that is "collusion".

Political and Economic Difficulties

Collusion means cooperating with potential competitors to eliminate competition and increase economic and political success. For the past forty-five years prior to the August election of 2009 there had been only one party in Japan that possessed any real power. That was the Liberal Democratic Party or the LDP. The LDP had been successful in working with smaller parties to accomplish its goals. The LDP had pushed the bureaucracy to do all that it could do to promote the interests of big business in Japan. These businesses, in turn, funded the campaigns of the politicians in the LDP, gave jobs to friends and relatives of the LDP and invested in businesses that these politicians owned or had interests in. Members of the bureaucracy were wined and dined by Japanese business and were guaranteed high-paying

jobs when they left government. Multi-billion dollar government contracts were then given to these same big businesses, even if foreign companies had better products and lower prices.

An astounding election occurred, however, in August of 2009. The Democratic Party of Japan won the lower house of the Diet, the one that chooses the prime minister. The Democratic Party of Japan (DPJ) won 308 of the 480 seats and the LDP won just 119, down from the over 300 seats it had maintained for many years. This stunning turnaround was caused by a number of factors, but the primary cause was the world-wide recession that hit Japan very hard. It seemed to many voters that the LDP simply did not have the answers to pull Japan out of the recession and to put it back to the leadership role in Asia that the country had at the end of the 20th Century. The victory by the DPJ could have far-reaching political effects in Japan. The businesses that had cozy, perhaps illegal relationships with the Liberal Democratic Party now may have to compete for government contracts. The bureaucrats that were promised jobs by the LDP when they retire if they make favorable decisions for those in power now will have to reassess their positions. Indeed the DPJ has promised to take away much of the power of the bureaucracy and restore that power to the legislative and executive branches.

One of the most interesting policies that the new party and its prime minister Yukio Hatoyama, promised to enact was a reorientation of Japan's relationship with the USA, where Japan would no longer be the "junior partner" but would now be a full partner who would see fit to disagree with Washington's foreign policies when it saw fit. This could mean a renegotiation of the U.S. lease of bases in the Japanese island of Okinawa as well as a number of other important issues. A second interesting policy that the DPJ promised to implement was giving \$270 a month to Japanese families for every child under 21. Japan has been losing population for many years and its workforce is getting older every year. This is an effort to address that problem—a problem which could very possibly have negative economic effects in the future.

One of the greatest obstacles to doing business in Japan for foreign companies is not competing with Japanese firms economically; it is trying to sell products in a market that is dominated by collusion. How does Chevy compete with Honda when there is an understood agreement that government employees will buy Hondas for work and for pleasure? In turn, Honda, will use Japanese radios, banks, insurance companies etc... Japanese company executives play golf together, get messages together, and drink together (and often to excess, I might add). And when they are socializing they are making agreements that do not appear anywhere; they are agreeing to do business with each other to their private benefit. They are colluding.

In politics this collusion has brought about remarkable cohesion, but it has done so at the cost of competition. And competition tends to keep politicians honest. Collusion has not hurt Japanese businesses as much because foreign competition has forced these businesses to remain on the cutting edge. In politics, however, it is the job of opposing parties to dig up dirt, to insist on investigating corruption. When this competition is lacking, rot begins. Unfortunately there is much rot or corruption in the Japanese political system. The election of the Japanese Democratic Party might well usher in a new era of political competition in Japan--something that most international observers see as positive.

However, the major television and newspaper media outlets are also big business. They criticize, but they seldom do the deep, persistent investigative digging that their counterparts do in Western Europe, Canada and the USA.

Some corruption came to light during the economic recession in Japan in the late 1990's. There was great uncertainty amongst major international financial institutions concerning the banking system in Japan. It became evident that the major private banks were bankrolling politicians' businesses (LDP) for years. In turn, the government used these banks for deposits and favored businesses associated with these banks for government contracts. It turned out that many of the businesses associated with these banks were poorly run and had to declare bankruptcy during the recession. This has put many of these banks on the brink of failure. Predictably, the LDP rushed emergency government funds to shore up the banks. The banks, however, continued to do poorly, undermining depositors' confidence. The government refused to dig too deeply into the reasons for the failed businesses and loans that have deepened the economic crises in Japan. To do so almost certainly would have revealed the collusion between the banks and the LDP. Beginning in 2003 and continuing into late 2006 the administration of Prime Minister Junichiro Koizumi began pressuring banks to foreclose on bad loans and start writing off many others as bad debt. This has hurt some banks in the short run, but Japan's economy should benefit in the long run.

In conclusion, Japan's greatest strength has proved to be a major weakness as well. A society that stresses cohesion and consensus resulted in a stultification of political competition leading to economic and political corruption. This corruption can undermine the economic success that Japan has achieved in the past. Hopefully the election of the Democratic Party of Japan (DPJ) in 2009 begins an era with more competition politically and economically within Japan.

It will be difficult for the Japanese to change their political system greatly since it is so much a part of its culture. However, Prime Minister Koizumi introduced much more competition into the LDP and thus into the entire political system. He appointed ministers to government based largely on merit, rather than political connections. His successor, Shinzo Abe, promised to continue the reforms. However soon after he became Prime Minister several political scandals came to light and Abe was unable to deal with them. In September of 2007 Japan got a new Prime Minister, Yasuo Fukuda. Fukuda was very much of the LDP old guard. Little reform occurred while he was in office. In September of 2008 a new Prime Minister, Taro Aso, was chosen. In 2009 Aso had to resign and the new Prime Minister, Yukio Hatoyama, took power in mid-September of 2009.

It should be noted that in most political systems that have Prime Ministers the lower house selects this position and can replace him or her anytime it wishes. In Japan, the change of a Prime Minister is not nearly so destabilizing as the election of a new President in the USA or Mexico. The Liberal Democratic Party of Japan had several wings or factions. When one Prime Minister is removed or resigns the lower house of the Diet (Parliament) simply chose another Prime Minister from another faction. Such was the case with the selection of Fukuda and Taro Aso. What will happen with the Democratic Party of Japan, which does not have established factions remains to be seen. However, in June of 2010 the Democratic Party of Japan changed prime ministers. Hatoyama resigned because of many reasons, not the least of which was his caving in to the USA and not moving military bases out of Okinawa. The new Prime Minister, Naoto Kan, is also from the DPJ. It's anyone's guess how long he will stay in power.

As students of International Politics it is wise to remember the key role that competition plays in keeping the political and economic systems clean and efficient. Often we decry the mudslinging done by our politicians and political commentators. But it is this digging in the dirt

that discovers wrongdoing and keeps politicians and businessmen on their toes. It looks like Japan is now ready to enter the more competitive political world domestically. It will be very interesting to see how this plays out in Japanese politics.

The Changing Roles of Women in Japanese Society

In Japan, as in most Asian societies, gender roles have traditionally been clearly delineated. Women are placed in subservient roles in virtually all social areas, but particularly in business and politics. At the upper echelons of most professions there are very few women. Japanese men are well known to be uncomfortable dealing with women in business affairs.

In sexual areas the roles are quite different as well. It has been accepted for men to have extra-marital affairs; in fact Japanese men are well-known for getting together and flying to such places as Thailand or Burma or even the Philippines for weekends where there is much drinking and often liaisons with “professional” women.

One of the reasons that Japan has had such little need for elder care is that the Japanese wives are responsible for taking care of the her elderly parents and those of her husband. Traditionally there have been few childcare facilities since women stayed home and took care of the children.

Men also have been locked into traditional roles. They are not supposed to cry, or express emotions. Males pay for everything while dating. They are supposed to work long hours and provide for their families and parents. Many Japanese men have become slaves to work, missing out to a great extent on fatherhood. It is also acceptable for men to drink to excess after work. It is not unusual to see men fall down on the concrete floors of subway stations and sleep in a drunken stupor for hours with other passengers just stepping over them.

Slowly gender roles are changing in Japan due to the same forces that have brought about changes in Western Europe, the United States, Canada and other developed nations. Birth control methods have freed women from having many children, unless they choose to. The productivity associated with modern society has allowed and encouraged females to become educated. When given the opportunity to choose a profession many women have seized the opportunity and chosen to limit their families to one or two children—or often none. For the first few generations after World War 11 Japanese women limited their families and worked part-time. In the Twenty-first Century more and more are delaying marriage, having one child, staying home for the first year or two, and then going back to their occupations full-time. Many are no longer choosing to get married. They are showing less and less patience for the boorish behavior of overbearing male supervisors and demanding equal pay and treatment. In other words, they are becoming more and more like females in Western industrialized societies.

It is often noted that the most developed countries have the lowest birthrates while the least developed have the highest. Even with the AIDS epidemic that is killing thousands in black African countries, their population growth remains the highest in the world. Japan, on the other hand, has a population growth that is negative, that is, the birth rate is not matching the death rate.

In less-developed countries women need children to take care of them in old age. In agrarian societies children mean more workers to help the family. As industrialization and development continue children become less and less necessary economically.

Developed countries provide opportunities to women that cause them to voluntarily limit the number of children they have. First is education. Poor countries cannot afford to educate men or women. As countries develop more people learn how to control the number of births. Women, more specifically, learn how to use birth control devices safely. Secondly, as countries become more productive, economic opportunities open up for women in many professions. In advanced economies that are at peace, muscle and aggression have little importance. Industriousness, perseverance, skill and knowledge are qualities that are emphasized. In these abilities there seems to be little difference between the two genders. Gradually, when women are freed from the necessity of taking care of large families, they begin to catch up to males in most economic endeavors.

As females become more equal economically, they tend to become more equal in social status and relationships in marriage and courtship begin to change. The addition of women in the workplace adds tremendous productivity to the economy and further accelerates technological and social change.

Modern industrial society did not reach much of Asia, including Japan, until the second half of the twentieth century. In Japan, one of the most developed countries of the world, the female liberation movement has been much slower coming than in most Western societies. The movement is now accelerating.

Many say that the twenty-first century will be the century of Asia. If so, it will be largely because it was the century of the emancipation of Asian women.

Democracy: Habits of the Mind in Japan

In many ways Japan is a developed democracy. Elections have been held since 1945, so the democratic tradition, Japanese style, is well established. There is considerable power given to the regional governments and the cities, which means that the Japanese people have more say in their government than many Asian countries. Japan is one of the most literate societies on earth, so comprehending political events is easy for the average citizen.

The two areas of concern regarding democracy in Japan lie in the media and the party system. The print media is dominated by five major newspapers. Television has a similar number of controlling corporations. The major news sources of Japan are very much part of the power structure. They have been favored by the government and the LPD, thus they were not anxious to criticize it too heavily. The freewheeling media in India and other democracies which seek out scandal amongst officeholders, both elected and not, is not evident in Japan. This may well begin to change with the election of the Democratic Party of Japan in 2009. Up until the present the average Japanese citizen did not see the underside of collusion and corruption that exists in many parts of the Japanese political system.

There was one political party that dominated virtually all national elections in Japan since 1945—The Liberal Democratic Party. Japan did not have the competitive political party system that keeps politics somewhat clean and citizens informed of the transgressions of those in

power. Most competition existed **within** the LPD. Japan had the strange distinction of being one of the very few democracies in the world today with only one major political party, until the election of 2009. This again changed in 2009 with the election of the DPJ. Still, it is considered to be impolite in Japan to criticize one's opponent too severely.

There is one last interesting aspect to consider about Japanese politics—the role of the bureaucracy. As stated before, Japan's bureaucracy attracts the best minds from Japanese universities. The bureaucracy itself is held in very high esteem by most citizens. In fact, most Japanese look for the “best” policies from bureaucrats, not politicians. They want policies that make sense economically, or socially. They don't trust politicians to make these decisions.

Japan may be leading the world into government based on evidence, on research and education rather than majority rule. Laws and regulations are being made increasingly by well-educated government employees based on their evaluation of probable merit or success, rather than by electoral majorities. This may well be the government of the future.

The Minority Situation in Japan

Japan is one of the most homogeneous countries of the world. About 98 or 99% of the population is ethnically Japanese. As in most countries, there is no legal discrimination allowed in Japan against Japanese citizens. There is, however, significant social discrimination against some in the Japanese population and against non-Japanese citizens. The Japanese are extremely conscious of social status. If one is not considered fully Japanese, one will experience discrimination socially and usually in the workplace as well.

In numbers the largest group that suffers from discrimination in Japan is called “hisabetsu buraku” or literally “discriminated communities.” These people are ethnically Japanese in every respect. Their language and culture is Japanese. The “buraku” are descendants of a lower social class who did the “dirty” work of traditional Japanese society. They were the cleaners, the butchers and the leatherworkers in a society that frowned upon the killing of mammals. In other words, they were much like the “untouchable” caste in India. Their discrimination is essentially social, but it extends to business and professional opportunities as well. The discrimination against the buraku stems largely from the Japanese custom of checking one's parentage before hiring, promotion or before considering someone for marriage. If one is discovered to be from buraku lineage then one is, in effect, shunned by much of Japanese society. As stated before, this discrimination is social, not legal. If a buraku scores highly in standardized tests then he or she will be admitted to the best schools. However, the buraku parents typically do not have the necessary money to afford the best private tutors for their children, so the likelihood of their doing well in school is diminished.

There are very small numbers of ethnic minorities in Japan. The two largest are the Ryukyuan or Okinawans and the Ainu. There are perhaps 1.5 million Okinawans living in Okinawa and on other islands of Japan. The majority speak Japanese, but many speak their own language as well. The Ainu are indigenous people who have been moved around by the government of Japan much like the native American population in the USA. There are few ethnically distinct Ainu living today—perhaps 30 thousand or so. Again, the discrimination felt by these people is

not supported legally; it is more part of the tradition of Japan. Like most other people, the Japanese prefer themselves—the Japanese.

Like every country in the world, Japan has some minorities, but since the minorities are very few in number and generally speak Japanese and share much of the same culture the problems are not major.

As discussed above, the majority of the population is female and they still experience extensive discrimination, especially in business.

Nigeria

Before we begin discussing Nigeria there are two things that should be understood. (If you refer to the map supported by Africaguide.com you will have a better understanding of the following essay.) First is the term "Black African country." The top portion of Africa, North Africa, is very distinct in that it was conquered and settled by Moslems, primarily Turks and Arabs, that invaded from the Middle East. Because of the proximity to Western Europe, as well as the Middle East, Morocco, Algeria, Tunisia, and Egypt have much in common with each other and little linkage to Sub-Saharan Africa, which is often called Black Africa. Mali, Niger and Chad are in the middle of the Saharan Desert and are perhaps the poorest countries in the world. Many of the people in these countries are nomads and Moslem although there is substantial ethnic diversity. Much of Mauritania and The Sudan are also in the Saharan desert. The people of the these two countries who live near the coast are mostly Moslem and of mixed Turkish, Arab, African and European descent; those who live in or near the Sahara are of more native African descent, but even here there is still a Middle Eastern influence.

Sub-Saharan Africa or Black Africa begins with Nigeria on the East and extends across on a descending line to Kenya on the West coast and includes all the countries below. These countries have populations that are primarily native African. There are minorities in all of them that come from many different nationalities and ethnicities -- the country of South Africa in particular has a large European minority. However, these nations do have some similarity in geography and in ethnicity in a broad sense.

In Africa the term "tribe" has been used to denote ethnic groups that are native in origin. A tribe **is** an ethnic group. There is difficulty deciding which term to use when describing different cultures in Sub-Saharan Africa. The same difficulty exists when describing the different Native American "tribes" or ethnic groups in North America. "Tribe" often has a condescending connotation, but it also has some descriptive flavor to it. Forgive the author if he waffles somewhat with these two terms. The term "ethnic group" is used more often, but sometimes "tribe" seems to fit better.

Nigeria has been chosen for many reasons, but primarily because studying it gives one insight into many Black African or Sub-Saharan nations and also many other developing countries. Nigeria is the largest country in Black Africa, with a population of about 150 million people (UN estimate 2008). The per capita income (the mean or average income) was about \$1,000 per year in 2008. However, since the per capita income is an average it does not give one an idea of how most people live. About 90% of all income is earned by the top 30% of the population. Most Nigerians live on less than a dollar a day. In essence, for most people in Nigeria life is a daily struggle. They have little to no savings, they have little access to health care and they will

receive perhaps two or three years of education. There is hope, however. A reform program negotiated with the IMF and carried out from 2005 to 2007 has been very successful. GDP growth in 2007 was estimated to be over 8%. The surge in petroleum prices allowed Nigeria to erase most of its foreign debt and left it with money to invest in infrastructure and education.

The life expectancy is about 45, but this also does not give one an accurate idea, because about 1 out of every six children die in the first few days of life. Nigeria, like most poor African countries, has a very high population growth rate (about 2.5%) in spite of the terrible health conditions in many areas. Approximately 6% of its population is HIV positive. Millions of children are either orphans or living with grandparents, aunts or uncles or ill parents. Most citizens are completely outside of politics. They don't vote; their opinions are not heard and they see the state or government as something that is not "theirs."

One extremely important fact to know about Nigeria, and the majority of African nations, is that it is an artificial creation. Like the vast majority of African nations, Nigeria did not become a nation state until the 20th Century. The British started calling the area "Nigeria" in 1914, some fourteen years after it decided that the area was a colony. The geographic boundaries of Nigeria were set by the British largely because it was a convenient area to administer. They did their best to not draw lines dividing tribes, but tribes moved with some frequency back then and lines on maps did not always correspond well with geographic and tribal realities. As a result, many ethnic groups in Nigeria suffer from irredentism; that is, they exist in more than one nation-state.

When Nigeria became a colony the British included many tribes within its borders who had been fighting each other off and on for hundreds of years. When Nigeria was given its independence in 1960 many of these tribes or ethnic groups had no idea what a nation was and felt no identification with the country. This is one of the greatest problems facing Nigeria and most other Sub-Saharan countries today. Many of the people feel little to no solidarity with one another. They identify with their tribes or ethnic groups before their country. There is little respect or love of nation--little nationalism. A Nigerian novelist named Chinua Achebe had this to say when a past president referred to it as a great country. *"It is one of the most disorderly nations in the world. It is one of the most corrupt, insensitive, inefficient places under the sun. It is one of the most expensive countries and one of those that give [the] least value for money. It is dirty, callous, noisy, ostentatious, dishonest and vulgar. In short, it is among the most unpleasant places on earth!"*

Worse yet, many tribes hate each other. As a continent Africa arguably suffers the most from racism or ethnocentrism. Nigeria is one of the worst examples. There are at least 250 different ethnic groups within its borders. (An ethnic group is defined here as a group of people with a distinct culture, including language, religious/cultural beliefs and important social values.) In 1967 an ethnic group called the Ibos (sometimes spelled Igbos in English) attempted to separate themselves from Nigeria. The civil war, called the Biafra civil war in the Western media, lasted three years and claimed tens of thousands, perhaps even hundreds of thousands of lives. Ibos, who were spread throughout Nigeria because they were the favored administrators of the British and good at business, were slaughtered by the thousands.

Today it is still true that many Nigerians have little sense of nationalism. This is beginning to change in the 21st Century, but it is a slow process. Many Nigerians have little sense of

shared history. They have very different customs. English is the official language but most people cannot speak it or read it. They look out for their families and tribes first—and frequently last. "Nigeria" is a word with little meaning to many, perhaps most citizens of the country. It is a country with hundreds of millionaires who have robbed Nigeria blind and millions of citizens who have little more than the clothes on their backs.

Nigeria has abundant natural resources, including extremely fertile land, abundant water supplies and extensive oil reserves. In spite of this, Nigeria remains a very poor country. Although trustworthy numbers are difficult to come by, most observers believe that Nigeria is poorer now than it was twenty years ago. It has collected hundreds of billions of dollars in oil revenue since the fields started being fully developed in the 1970s, but it has invested little either in physical substructure or in human development.

What Nigeria does not have, is an honest, efficient government. In fact, Nigeria is consistently rated as one of the most corrupt countries on earth. Transparency International had it ranked at **the** most corrupt in the world at one time in the 1990s. In 1998 it had moved ahead of a few other countries (mostly African as well). The Economist (03/06/99, Vol. 350 Issue 8109, p44) described the corruption in these words: "The fate of Mobutu's Zaire, where the state had withered away completely and the only system was corruption, now hangs over Nigeria. Some public servants still try to stay honest, but most, from bureaucrats to policemen and nurses, will not lift a finger without a bribe. Ordinary Nigerians are only mimicking their political masters. Corruption spreads from the top down. The Nigerian state does not command loyalty or service. It is regarded as a vast pie to be eaten-or ``chopped" as Nigerians say-at every opportunity, especially by those who run it. Pat Utomi, director of the Lagos Business School, says: ``Nigeria is the most privatized state in the world, only those who now own it did not pay for it.'"

The attempted creation of a modern state has been destructive for much of Nigeria. The national government controls almost all levels of government by virtue of being the almost sole source of government funding. Nigerians don't really pay much in taxes. They don't think the government deserves money from them. Most money comes from the sale of oil and that money is controlled, again, by the national government. Native leaders have lost power to national or regional government leaders, who have power because they have money. So, much of the native, tribal leadership has been replaced by corrupt government officials. Those in government have little credibility and government in general has little legitimacy. Power is wielded by those who have guns—the military still controls much of the country, but much power is wielded also by ill-formed gangs.

There is, however, a slow but steady movement towards democracy. Nigeria now has had two semi-democratically elected presidents without a military coup. There have also been semi-democratic elections in the state and local governments. People are becoming more accustomed to and accepting of democracy. There is some devolution of power to regional and local governments. Although there are many different ethnic groups in Nigeria, one does not dominate all others. There is power sharing. National political parties represent many different ethnic groups.

Corruption deserves some study, especially in Nigeria where it seems to be omnipresent. Its causes are many and vary from country to country but there are common roots.

Authoritarian governments breed corruption. As we noted in our study of the reasons for the fall of the USSR, any country that does not allow political competition tends to rot from within. There is no authority to check corruption other than the government itself. In Nigeria the military has ruled for all but a few years since independence in 1960. It has managed to keep the country together by sharing the oil wealth amongst itself and its friends in private industry. People who criticized the military often disappeared. Others were simply beaten and thrown into jail. A Nigerian could criticize the government freely—if he or she was not in Nigeria.

As noted in our study of India, it often is impossible to have a workable democracy if half of a country's adult population is illiterate and there is no tradition or culture of democracy. Like India, much of the elite in Nigeria share the English language and the British democratic culture. But this does not extend to the majority of the population and certainly not to the military. Nigeria now claims that it is a democracy, but in reality there is a long way to go before it becomes truly democratic. One party runs the national government. The country does have three separate branches of government that check each other at least somewhat. The executive branch, now headed in name by President Goodluck Jonathan (the last elected president Umaru Musa Yar'Adua died while in office), controls almost all the money and is clearly the most powerful branch. There is however, a growing competition at most levels of government. As we have learned, political competition tends to promote honesty. The Nigerian media is becoming more diverse and more critical of government. It should help the democratic process in the future.

Another common root of corruption is simply poverty and the vast differences between the wealthy, the middle class and the poor. A police officer who makes about \$50,000 a year in New York or Chicago would be foolish to accept a bribe of \$100 dollars to forget a traffic ticket. In Lagos, Nigeria, a police officer may make a salary of \$100 a month and have to support a family of five or six. Also, he knows that his superiors are accepting bribes of much more. In Nigeria, the only citizens who are given fines for traffic or vehicle violations are the ones who cannot afford bribes. To a certain extent, honesty is a luxury that many Nigerians cannot afford.

Another source of corruption is the personalism of many poor countries. People are raised to be loyal to their families, friends and ethnic groups. They are not raised to be loyal and helpful to the state or national government. They are taught primarily personal values, not universal norms for all human beings to follow. They are not taught the concept of honesty in a general sense. They are taught to take care of their families and of their tribe or ethnic group. When these individuals come to power, either through elections or otherwise, they understand that this power is to be used to better themselves and those they have been taught to take care of. What you and I call thievery the local politician or military leader in Nigeria calls taking care of his family—his “family” may include one particular ethnic group or perhaps a particular village.

Finally, corruption is **learned**. It is a culture. In Nigeria native politicians have always used government to enrich themselves. There was a hope in 1979 when the government became somewhat democratic that corruption would diminish. It did not. Elected politicians robbed as much as the military. When the military soon took back control of the government the majority of the population was neither surprised nor deeply disappointed. The national election of 2007 was declared by almost all outside observers as chaotic and fraudulent. There was little anyone could do to change the results however.

It is really not considered immoral to accept bribes in Nigeria. It is a way of paying for services. There is the money that the government should have or would like to have for a service, and then there is the money that you have a right to charge as an individual who is poorly paid by that same government. Good service clearly merits more money. If that service means charging an individual no taxes or no fees, it is clearly worth something short of the taxes or fees that would have been paid. If your parents have done this, your friends and coworkers do this, what will you do?

The above discussion involving Nigeria should not be interpreted as applying unilaterally to all black African Countries. Botswana and Mauritius, for example, have established strong democracies and growing economies. Others, such as Mozambique, Ghana and Benin and Namibia are becoming more democratic and are moving forward economically. Zambia, Tanzania, Uganda and Senegal are perhaps a step ahead of Nigeria in respect for human rights and political freedoms. The former Zaire, now calling itself, The Democratic Republic of the Congo, has descended again into a vicious civil war and is in much worse shape.

The end of the USSR and the cold war has had positive effects on many countries in Africa.

The United States no longer supports military governments simply because they are anti-Communist. Russia no longer has the resources or the will to support governments that are friendly to it. South Africa, the wealthiest and most developed country in Africa, is now under control of the black majority. It has shown substantial determination in taking a leadership role in promoting democracy and respect for human rights. The international community is supportive of democratic governments and is using its considerable economic resources to urge authoritarian governments to reform.

Although there is much to be done in many black African countries, there was definite positive movement at the end of twentieth century. One can reasonably expect that Black Africa will move more towards democracy in the Twenty-First Century. One can also reasonably expect that this progress will be neither smooth nor quick.

The Minority Situation in Nigeria

Like India, Nigeria is a country of minorities. There are over 250 major ethnic groups in the country and perhaps twice that number of smaller tribes. When one looks at the predictors of conflict amongst ethnic groups Nigeria has them all. The ethnic groups in Nigeria do not speak a common language. They usually do not share common religious beliefs. They often are physically distinct. Most have very different social customs. There is a history of conflict between many ethnic groups that goes as far back as recorded history in Nigeria. There is conflict over land, political power and most importantly, oil and the wealth that comes from it.

There are three major ethnic groups in Nigeria, the Hausa/Fulani live mostly in north-west Nigeria. They comprise about 30% of the total population. While they are subdivided into many smaller ethnic groups the Hausa/Fulani are almost exclusively Moslem and agricultural—some in fact remain nomadic herders. In recent years some of the states with majority Hausa/Fulani populations have adopted Islamic law as the basic law of the state.

The Yoruba ethnic group lives primarily in south-west Nigeria and make up roughly 20% of Nigeria's population. Most profess the Catholic religion, but it is a Catholicism with nativist beliefs mixed in. The Yoruba are often tall, physically imposing people whose culture used heredity to determine political and social status. There are "kings" "princes" "princesses" and other terms used to describe leaders. They are often colorfully clothed in bright flowing robes. The Yoruba have been mostly agricultural, but many have now become part of modern Nigeria and have become part of Nigeria's small but growing middle class.

The Igbos live mostly in south-eastern Nigeria where most of the country's oil is produced. They are mostly Catholic and are by far the most modern of Nigeria's ethnic groups. Most speak English and their native Igbo or a variation of it. The Igbos were the people who got along best with the English when they controlled Nigeria and were given most of the government jobs. As a result they were and probably still are the most disliked ethnic group in Nigeria. It was the Igbos who tried to succeed from Nigeria and form their own nation in 1967. Had they been successful they would have controlled most of Nigeria's oil. In the war that followed millions of Nigerians reportedly lost their lives. Many more millions were forcibly relocated because of the ethnic violence. In the end the Igbos lost and remain part of Nigeria.

Violence during elections is commonplace in Nigeria. In national elections there are hundreds and sometimes thousands of deaths. The director of Human Rights Watch in Africa had this to say about the presidential election of 2007.

Instead of guaranteeing citizens' basic right to vote freely, Nigerian government and electoral officials actively colluded in the fraud and violence that marred the presidential polls in some areas. In other areas, officials closed their eyes to human rights abuses committed by supporters of the ruling party and others.

Violence in local elections is frequent as well. There are several reasons for this, some are linked to ethnicity. It is assumed that whoever wins an election will have control over money, and in Nigeria politicians tend to give money to themselves and their families first and then secondly to their "people" or ethnic group. If one's ethnic group wins one has protection from the police, access to political jobs and contracts and a better chance of bribing public officials. If one's party loses then there is little protection either economic, political or physical. Since Nigerian people are so poor and the government has so much oil wealth to give out the political prizes are relatively enormous.

Predictably violence is worst when all the dividing factors come into play. An example of this is the city of Jos, in Central Nigeria. The town is located in an area called the "middle belt", between Nigeria's largely Muslim northern half and its predominantly Christian south. Jos has a slight majority of Christians, of several distinct ethnic groups, and a large minority of Moslems who are Hausa-Fulani. In December of 2008 some 500 people were killed in rioting associated with election results that gave almost all the city seats to Christians. Apparently a large number of the Moslems were killed by police and federal troops who were called in to quell the violence. In March, 2010, violence once again erupted with hundreds killed. This time apparently more Christians were killed by Moslems who claimed that the Christians, supported by the government, had stolen much of their land and killed many of their people.

In Jos the fighting groups are different in most respects. They are of different ethnic groups, speak different languages, have different religions, they are fighting over control of politics, which means money, protections and jobs in Nigeria--and these ethnic groups have a long history of violence against each other.

In Nigeria everyone is an ethnic minority and most are religious minorities also. The violence is greatest in the cities where these groups live close by, but not together, normally, since they live in their own parts of the city. In the rural areas things are calmer since most small towns or villages have one major ethnic group which controls almost everything. Nigeria, however, is becoming more urban every day as people flee the poverty-stricken countryside looking for work.

In the distant future one can hope for peace amongst the various peoples of Nigeria. In the foreseeable future, however, violence and discrimination will dominate much of this troubled country.

Brazil

Brazil was chosen as a country to study in this book for several reasons. It is the largest country in Latin America, occupying about one-half of the physical territory of South America and, with a population of about 190 million it has around fifty percent of the continent's population. Brazil's economy is the most influential one in South America. More importantly for our purposes, Brazil is broadly representative of many countries in the world that are developing democracies with economic systems that have sectors of great sophistication and efficiency operating next to sectors that are close to medieval. Its problems with crime, corruption, extremes of income and wealth distribution, inadequate environmental safeguards, and a public sector that provides poor quality education, medical treatment, (Brazil has excellent private educational and health facilities for those with money) transportation facilities and public safety are all roughly similar to many developing countries. By studying Brazil, one can gain insight into many other countries in Latin America, and, to a certain extent, into many other developing countries as well.

Unique Features of Brazil

There are some aspects of every country that are unique. Brazil is different from other countries in Latin America in several important respects. First, Brazil was once a colony of Portugal; the rest of Latin America was once controlled by Spain. The language of Brazil is Portuguese while all other countries in Latin America use Spanish. The two languages are similar, but not to the extent that a Spanish-speaking person can have a conversation with someone who speaks only Portuguese. Language carries cultures. In this respect there is a somewhat different culture in Brazil as compared to other Latin American countries.

Portugal's colonization practice was different than Spain's in that it used African slaves to work most of its sugar plantations and other agricultural sectors. Portugal continued to import African slaves until the 1880's. Today the descendants of these slaves constitute a large percentage of the population--around 45% to 55% of Brazil's population is African or Mulatto (a mixture of African and other nationalities). In most cases they constitute the underbelly of

Brazil's society. They are the majority of the population that lives in the margins--often out of sight both physically and politically.

This mixture of Portuguese and African has created a Brazilian culture that is unique in many ways. Brazilians tend to be informal, direct and friendly. (Many of the Brazilians that come to Central Florida are from Sao Paulo and Rio. They tend to be louder, less polite, and less openly friendly than other Brazilians. You might say that they are Brazil's New Yorkers.) Brazil, however, is multi-cultural. It has significant populations of Germans, Italians, Syrians, Lebanese and many Asians, especially Japanese. As in many other countries, one can identify a general culture, but many subcultures exist in Brazil's social fabric.

Brazil's music is arguably more African than Latin and the dancing style is often openly sensual. Brazilians are probably more accepting of different sexual preferences and practices than any other people in Latin America. Their daytime television programs show more flesh and sexual action than most R-rated movies in the United States. In most Latin American countries homosexuality is seen as a perversion. Many Brazilians seem to see it as a life-style choice and accept it with the same casualness as sexual relations outside of marriage. This sexual tolerance varies tremendously from region to region, however. Rio is probably the most accepting of homosexual behavior, while rural communities in the North and Central portions of the country are the most conservative.

There are many other things that are unique about Brazil, but for our discussion the differences in social phenomena are mostly of extent rather than type. One area that does merit special attention is enormous gap in income and wealth that exists. It is not unusual for Latin American countries to have a small number of wealthy families and a somewhat larger middle class and then a very large segment of the population that lives in extreme poverty. Brazil, however, has one of the widest income and wealth disparities of any country on earth. In fact the World Bank rated it as having the widest disparity in the mid-nineties. Estimates are that about ten million Brazilian families are homeless. Around one-fifth of the population lives on less than \$100 per month. Although statistics in Brazil are difficult to come by, some estimates have the top ten percent of the population as owning about 65% of all private wealth and the bottom 20% has nothing or is in debt. Land ownership is even more concentrated.

Directly related to this is the high crime rate that plagues Brazilian cities, especially Rio and Sao Palo. It is so bad that many people in the middle class cannot afford to buy houses in these cities due to the high risk associated with ownership. Homes need high fences with razor wire, a complex security system, and, if the home is substantial, a paid full-time armed staff. Carjacking is a constant concern. Commuting to and from work in Rio or Sao Paolo in a car can be a life-threatening procedure. If one does commute an armored car is a great asset. If one is wealthy it is almost a necessity. In fact, Brazil leads the world in the production of such vehicles. In the large cities, most people in the middle class live in apartments or condos that have tight security at all hours. They often take taxis to work or to play and count on the cab drivers to protect them from the danger that lurks outside. Rio and Sao Paolo have an estimated twenty or thirty kidnappings for ransom **per month**. Kidnapping has become a hallmark of many Latin American countries. The poor or near-poor see a way of getting money in a hurry. They often hate the upper classes who they see as living in luxury while they wallow in poverty.

Outside of these wealthy homes and apartments are the millions who live literally at the margins of contemporary society (“marginados” in Spanish)-- the desperately poor, looking in, waiting for an opportunity to take what they have been denied by birth and circumstance.

In 2011 perhaps the greatest challenge facing new president Dilma Rousseff, who was once a Communist but now leads a centrist government, is the aggressive land taking movement of the poor headed by a group called the Landless Workers Movement (Mouvement des Sans-terre, or MST). Much of Brazil’s land is still owned by the descendants of the old Portuguese aristocracy. The last estimate this author read is that 3% of Brazil’s population owns over two-thirds of its arable land. Much of this land is left uncultivated while about 25 million of Brazilians have no land and struggle to feed themselves and their families.

The great income and social disparities in Brazil are perhaps most pronounced in Brazil, but they are symptomatic of many Latin American countries.

Features that Brazil Shares with other Latin American Countries

Although every country in Latin America is unique in many ways, there are many similarities that they share both culturally and politically.

Virtually every Latin American country has a majority of the population that identifies itself as Catholic. The founding countries of Spain and Portugal brought this faith to the Americas. The Catholicism of Latin America, however, is perhaps more Latin than Catholic. Not many men, teenagers or young adults go to church except for Christmas, weddings and funerals. Formal religion plays a small role in the lives of the vast majority of Brazilians and other Latin Americans. Pictures of the Virgin Mary are ubiquitous; people believe in God, but the Catholicism of Latin America is relaxed, more soothing than threatening, more flexible to the needs and wishes of the people.

Brazilians are probably more casual than most other Latin Americans in this respect. The people in the large cities might say, for example, that having sex outside of marriage is a sin, but that all men are sinners. Like Catholics in many other countries, they have largely ignored the Vatican’s teaching on the sinfulness of using artificial birth control. As a result of this, increased education, more opportunities for women and other factors, the birthrate in Latin America has begun to decline. In the 1970’s Brazil and most other South American countries population growth rates around 3% a year. At the entrance to the Twenty-First century Brazil’s growth has slowed to a little over 1%.

Although men are generally in charge of government and business, women are the glue that holds Latin American society together. The illegitimacy rate in many countries runs over fifty percent. This is especially true of the poor. Fathers, when present in the family, are often physically absent. The care of children, and the responsibility for the household, is in the care

of women—usually mothers, but also sisters, aunts, and grandmothers. In Latin America fathers are respected, but mothers revered. If you wish to insult someone you usually do not call him a name directly, but rather you refer to his mother.

Many of you have no doubt heard the term “machismo.” It refers to the role that men are supposed to play in Latin America. A macho man is strong, brave and proud—and a womanizer. This role is fading, but it is still true that men in Latin America are very proud and often easily offended. As in most places of the world, gender roles are changing fast in Latin America, especially in the cities, but one would be wrong to think they have disappeared altogether.

A final feature to mention here is the class structure that was referred to above. The social structure of today still reflects the colonization policies of the Portuguese and Spanish kingdoms. In the USA and Canada much of the initial population was made up of poor families escaping religious persecution or simply seeking to escape the feudal system of the United Kingdom. These families immediately set up small farms and settled in to tame the land. It was easy for people to own their own property, start their own businesses and become involved in running their communities. (Excepting, of course, the native population that was largely slaughtered or put on reservations and the African slaves who were brought over in chains.) One can reasonably argue that the United States and Canada began with a large segment of society in the middle class.

The settlement pattern in Latin America was very different. The feudal systems of Spain and Portugal were simply transplanted in America. Nobles were given huge tracks of land and allowed to govern in the name of the King or Queen. Most of the Spaniards and Portuguese who came to America came as servants, not as free men and women. They worked for the lords and nobles. Today the great grandchildren of the original ruling class often still have huge landholdings that they leave uncared for. They go to the best schools, live in mansions and vacation in Europe and the United States. Many of them are still dominant in the business and political sectors. Many of the original servants intermarried with the native population. The majority of most countries are “Mestizos” or people of mixed European and Ameri-Indian heritage. In the case in Brazil, Panama, Puerto Rico, Cuba and the Dominican Republic they produced children with the African population. Many of these people live in abject poverty. Nevertheless, it should be noted that there is a middle class that is beginning to rapidly increase in numbers and influence, especially in the cities. It is with this middle class that much of the hope for economic and political progress rests.

Virtually all Latin American countries are called “developing economies”, meaning that they have taken steps to pull themselves out of extreme poverty and are now beginning to modernize themselves. Countries in this stage of development often show wide disparities of wealth, education and income. This is certainly the case in most Latin American countries. The per capita income is now in the range of four to eight thousand dollars per year—compared to the thirty thousand or so that is the average of developed countries. But per capita income does not describe life in Brazil or most other Latin American countries, because it represents an average income. (One millionaire and 199 people who have no income average out to a per capita income of \$5,000.) Latin America is still a land of haves and have nots, although there is a growing middle class in almost every country. Democracy has also taken root in most of Latin America, although democracy is something that is relatively new in most countries, it is beginning to make a difference in government policies. More is now going to the lower middle

class and the wealthy are being taxed at higher rates and are threatened by land redistribution policies in many countries.

Most Latin American countries are in the first stages of democratization. Most became democratic in that last thirty years or so and are slowly developing a free press, established political parties, rule by law, and a strong basic educational system that are necessary for democracies to be fully functional.

Brazil's Political Structure

Brazil, like virtually all countries in Latin America, has a presidential democracy and a federal system. To a certain extent, almost all the democracies of the Latin America used the United States as an example of how to structure their political system, rather than use the parliamentary, unitary systems that most European democracies have. A few words will be given here to explain the differences between democracies with presidential systems and those with parliamentary systems and those with federal structures compared to unitary structures.

In presidential systems the president is elected for a fixed term completely separate from the legislative branch. He or she is directly elected by the people. In Brazil the term of office is four years with an opportunity for one reelection. (Dilma Rousseff, the first female ever to become president in Brazil was elected in 2010 and will serve through 2014) It is usually very difficult for the legislative branch to remove the president. Impeachment in most presidential democracies is normally a slow, problematic procedure. Normally the president is the Chief Executive Officer of the country and the head of State. Very often in presidential systems the legislative branch is controlled by parties other than that of the president; this means that there is often much friction between the two branches. In presidential democracies there is a clear separation between the executive and legislative branches.

In parliamentary systems the chief executive officer, usually called the Prime Minister, is normally chosen by the most populous branch of the legislature. Whichever party or coalition has a majority in this branch of the legislature (Often called the House of Representatives or House of Commons) also controls the executive branch. In a parliamentary system the legislative and executive branches are to a certain extent fused. There is little bickering between the legislative and executive branches since the same people control both. Also, it is much easier to pass legislation in this system, since the same parties control both branches—at least mostly. Parliamentary democracies are obliged to hold elections by law at certain time periods, usually four or five years, but normally the parliament can hold elections earlier if it wishes. Often this means that the ruling party or coalition will hold elections early, when it is ahead in the polls. Usually this means that the same party and same prime minister will stay in office for an extended period of time.

Democracies with federal systems have states or provinces that have a great deal of power and are largely independent of the national government. The states or provinces elect their own governments and normally will have a governor elected separately from the legislature. Federal systems tend to have very different laws in each state and state constitutions that are

not created by the federal government. Normally states have their own judicial and social welfare systems. Generally, there is a clear separation of powers between the state and national governments.

India and most of the smaller democracies in Europe have unitary systems. They are divided into districts or regions, but the districts are essentially just voting areas; they do not have a government. In such systems the national government has almost all the political power. All criminal and most civil laws are passed by the national government; the penal system the educational system and the social welfare system are all controlled by the national government and uniform throughout the country. It is a system that is much easier to understand and control. As the name implies, it is more uniform.

It should be stressed that the above discussion is **generalized**. Every country is somewhat different. Canada, for example, is a parliamentary democracy, but it has a separate election of the Prime Minister and has provinces with a great deal of power. India has a parliament, and a unitary system generally, but it also has state governments with some power.

As stated above, the vast majority of democracies in Latin America have presidential systems combined with federal structures. However, the powers of the presidents and those of the national and state governments vary widely from country to country. In Brazil, the state governments are in charge of education, transportation within the state and public hospitals. They also have a great deal of say over zoning or control over how land is used. The president of Brazil has a great deal of power, but must rely upon the legislature for the budget and most major legislation.

Brazil's Democracy

As noted in the posting on India, if one classifies countries as democratic or non-democratic much understanding is lost. Brazil, for example, has elections that are generally considered to be free, but much of the country does not participate in the electoral process at all and a few wield enormous power. Let's examine Brazil briefly using the same considerations that we used with Russia: tradition or habits of the mind, the level where power resides, media access and control, political parties, powers held by the executive and legislative branches and literacy.

At the national level Brazil has only been democratic since 1985, so one must say that democratic custom or habit of the mind is just beginning to take hold. As noted before, authoritarian systems breed corruption. In Brazil the military ruled for many years. They were accountable to only themselves. The police forces of most cities were simply extensions of the military. Today the military seems subdued, but Brazil is victimized by police forces that are legendary for their brutality and corruption. The police in Sao Paulo kill around fifty civilians per **month**. In 1992 the police in Sao Pablo reportedly killed approximately 1400 people. In many cities, the poor are more fearful of the police than they are of criminals. It is probably accurate to say that most police in Brazil accept bribes in some form. There is little civilian, democratic control at the local level over the police. In the large "favelas" or slums of Rio and Sao Pablo

and other large cities in Brazil gangs rule the streets and often have open gun battles with the police.

Democracy is taking hold in Brazil, but there are segments of the society that seem impervious to any law that the government cares to pass. The customs related to autocracy are often still in place and will not be easily done away with. Still, two generations have now come of age knowing some form of democracy in Brazil. The educated elite are committed to it and the poor are given hope by the election of such people as their president, Luiz Inacio Lula da Silva, better known simply as “Lula” and now the first female president, Dilma Rousseff.

Brazil's governmental system gives a great deal of power to the twenty-six state governments and the states have traditionally given much power to city governments. Political competition is often vigorous at all levels of government, which bodes well for democracy. Brazilian states have roughly the same powers as the states in the U.S.A. or the provinces in Canada. They are in charge of education, land use within their boundaries, and are very much involved in regulating businesses within their boundaries. Most law enforcement in Brazil occurs at the state and local levels. Democracy seems to be spreading slowly in the states and local governments, but power is still disproportionately held by the governors or mayors rather than the legislative branches.

At the national level some power is given to the legislative branch, which tends to encourage the creation of political parties and allows for many groups to have input into the system. In most evolving democracies there are often many political parties that have regional connections. At the national level these parties usually form blocks or coalitions to win elections, but these coalitions are often fragile and make governing difficult. In 2008 Brazil had some 25 political parties represented in the national legislature. The President of Brazil does not enjoy majority support in either of the two legislative houses—making governing difficult. The fact that there are so many political parties, together with the tendency of politicians to change parties several times in their careers makes it difficult for the average citizen to understand the difference amongst the parties. In fact, parties are often led by well-known individuals, so party allegiance isn't to ideas, but rather to a person. In Brazil, as in many other Latin American countries personalism (patronismo in Spanish) and patronage prevail. Personalism means that loyalties are given to people, rather than to parties or political offices and patronage means that positions in government are given and retained by **who** someone knows, rather than **what** a person knows. This carries over to application of the laws as well. If your family knows the mayor or the chief of police then you are “golden.” You won't have to worry about being arrested for intoxication or speeding or sexual harassment. If you don't know anyone then “justice” will prevail—at least as it is interpreted by the local police.

Overall, however, the current structure of the Brazilian political system provides many opportunities for citizen and group involvement, which bodes well for future democratic growth. At present, however, there is too much fragmentation amongst parties for citizens to have a very effective control over government.

The vast majority of Brazilians get all or most news from television. Freedom House in 2008 ranked Brazil's media as partially free. This was their comment: *“As South America's largest media market, Brazil boasts dynamic and diverse media able to provide a lively array of views, including investigative reporting published through privately owned newspapers, magazines, and online periodicals. However, despite the pluralism of Brazil's media, ownership is highly concentrated,*

particularly within the broadcast sector. Globo Organizations, a large media conglomerate, continues to enjoy a dominant position, maintaining ownership of Brazil's primary television network, radio stations, print media, and cable television distribution.” In other words, one company or station dominates Brazilian media and this does not provide the populace with many different perspectives. At the state and local level, reporters must be careful of what they say. If they are too critical of police and local politicians they put their safety at risk. Virtually all the major newspapers of Brazil are owned by the wealthy—as are most of the radio stations. This means that there exists a class bias that permeates the news.

In the future, however, one can expect for the media in Brazil to become more diversified and better at informing the public about what their government and the people who run it are doing.

In the area of political parties, Brazil is typical of many developing democracies. There are many parties at both the national and state level. At the national level there are six major parties, but over 20 parties have some representation. Thus, no party comes close to a majority. The president can never count on getting anything passed through the legislature. He must promise individuals favors in order to get his agenda passed. This adds to the overall impression that politics in Brazil often goes to the highest bidder.

There are probably too many parties for the average citizen to understand, but the parties are beginning to form around issues, (although many are still chiefly associated with one person); one can reasonably expect that there will be some consolidation in the near future. The last two presidents have come from the Workers Party, which used to be a communist/socialist party, but has transformed itself into a left/central party.

The factor that severely undermines democracy in Brazil is the literacy rate, which is, of course, tied into the great inequality in the distribution of income. Somewhere around 15% of the adult population was completely illiterate at the close of the 20th century. Estimates have the level of functional illiteracy at more than 40% of the population. Most of the poor in Brazil seldom get beyond the third grade of primary school. This limits their ability to understand issues and become involved in the system. Most of the poor and uneducated are left completely out of political life. They don't vote; (although officially all Brazilians are required to vote in national elections) they don't know which political party stands for what, and they have little to no understanding of how government works outside of the local police force, which most have learned to fear. A fact of life for many developing democracies, and especially Brazil, is that a large portion of the population does not, cannot, participate in the political process. They are marginalized, politically, economically and socially. Can one call a country a democracy if half the population is not involved in the democratic processes?

In summary, Brazil is not an established democracy, but exhibits many positive signs for future democratic development. At the core of Brazil's democratic challenges lies the great inequality of wealth, which translates to great inequality of political influence and economic opportunity. The political system should allow for improvement in all sectors, but the system is still in its early stages of development, which makes it difficult to predict with any certainty what lies ahead.

Minorities in Brazil

Brazil is a large country with enormous cities and many different ethnic groups. In different parts of Brazil one can find small communities of Germans, Italians, Japanese, and Spanish and others. With the exception of the Spanish much of this immigration happened in the mid-20th century, especially during and after World War II. These immigrants generally face little effective discrimination. They are normally better educated and wealthier than the average Brazilian. There are two groups, however, that suffer from wide-ranging discrimination—the indigenous or native population and Brazilians of African descent.

The indigenous population of Brazil is small—somewhere around 250,000. There are many different ethnic groups within this population; some reports say there are more than 250. Most of these tribes or ethnic groups still live in primitive areas and carry on lives as hunters and gatherers. Much like the USA and other countries in the Americas, Brazil is conflicted over what to do with them. Generally they have tried to leave these people alone to live their lives as they have for centuries, but to do this means that these people live from day to day, a subsistence diet and lifestyle. Providing them with health care and education tends to destroy their culture. Many of the indigenous people live in the rainforest, which has suffered almost continual development for farming and logging for many years. They are running out of space.

By far the most serious discrimination in Brazil is suffered by the Afro-Brazilian population. Almost half of Brazil's population identifies itself as black partially or completely. Afro-Brazilians have about 50% of the income as other Brazilians, but possess probably less than 10% of all wealth. About 50% of Afro-Brazilians are either illiterate or semi-literate. Many live in “favelas” with no electricity, toilets or running water. They have little access to decent education or health care. Violent crime is part of their everyday lives with gangs and police often equally seen as dangerous. They are the maids, cooks, grounds men, and day laborers hired by the middle class and the wealthy. They live in the margins of cities and the margins of Brazilian society.

As in most countries, discrimination in Brazil is not legal. There is no forced segregation and most Brazilians will say that there is little prejudice—but there is. It is a prejudice of history that brought Africans to Brazil as slaves and when they became free they had no land, no education, no wealth and no government to look out for them. Generations of poverty have led to a present generation mired in poverty and without any significant political power.

As democracy in Brazil progresses it seems probable that the poor will eventually have more of a voice and will support politicians who will help them. The last president, Lula da Silva, was, in reality, a socialist who has implemented many policies designed to alleviate poverty. One program called “Bolsa Familia” loosely translated “Family Grant or Stipend” gives monthly allowances to poor families who keep their children in school. It is designed to alleviate both short term and long term poverty. It combats short term poverty by giving money to the poorest families in Brazil as a direct government transfer. It is designed to combat long-term poverty by boosting the educational preparation of the children of these families, who should be able to become more productive and employable in the future. As a result of this program and other income inequality is becoming less in Brazil. In the future one would expect the better educated children will demand more policies that favor the poor and lower classes.

Amongst the poor Lula Da Silva was enormously popular, but his ability to help was limited by the legislature and powerful upper class of Brazilian society which owns most of the economic wealth. The new president, Dilma Rouseff, is expected to follow the policies of Da Silva,

which were designed to lessen poverty and reduce the huge income gap. Rousseff has also indicated that she intends to promote the social, economic and political welfare of women. This tends to bode well for the establishment of anti-poverty programs, since much of the poverty in Brazil is experienced by females, especially mothers.

The End