

Globalized Free Trade Will Protect Global Resources

 *Global Resources*, 2004

James M. Sheehan maintains in the following viewpoint that globalized free trade helps provide nations with the economic growth that makes environmental protection possible. According to Sheehan, richer individuals and governments are more willing to spend money to protect natural resources than are poorer ones. Sheehan claims that environmentalists are wrong to call for increased trade regulations to safeguard the environment because regulation restricts trade and thereby reduces the funds available for environmental protection. James M. Sheehan is director of international policy at the Competitive Enterprise Institute, a free-market think tank.

As you read, consider the following questions:

The local auto plant shuts down, and many people, including some of your friends and their parents, lose their jobs. After researching free trade using the Opposing Viewpoints Resource Center, write a letter to the editor of your local newspaper either condemning the plant shutdown or praising it. Explain your position.

1. What is "eco-dumping," as defined by Sheehan?
2. According to the author, what environmental improvements have occurred in OECD countries since 1970?
3. What is the fundamental cause of pollution, in Sheehan's opinion?

"A more accurate name than the persuasive label 'free trade' is deregulated international commerce," scolds World Bank environmentalist Herman Daly. International regulation of trade is necessary "to build environmental responsibility into economic activity," and to assure that "trade meets the goals of environmentally sustainable development," in the words of Jay Hair, president of one of the largest environmental organizations in the United States, the National Wildlife Federation. As trade has become globalized, environmentalists argue, so has the magnitude of environmental degradation. "Further growth beyond the present scale is overwhelmingly likely to increase costs more rapidly than it increases benefits, thus ushering in a new era of 'uneconomic growth' that impoverishes rather than enriches," the foreboding Daly intones.

Environmentalist Opposition to Globalization

The "green" trade agenda necessarily entails greater political management and regulation of the private sector to safeguard social and environmental goals. In the eyes of environmental groups like the Worldwatch Institute, "trade can bring greater prosperity and improved quality of life, if properly managed, but if not it can become an engine of enormous destruction" of biodiversity, the global climate, and natural resources. Fearing destruction of the "global" environment, environmental groups call for radical alterations in the free-market system by government. Environmental activists are particularly concerned with trade between progressive nations (with high regulatory standards) and more free-market or less developed countries (with lower regulatory

standards). Nations without strict regulatory standards attract accelerated flows of international capital investment, leading to the creation of "pollution havens." The lack of stringent environmental regulation gives firms an unfair competitive trade advantage, amounting to an environmental subsidy which enables firms to undercut prices in export markets. This phenomenon is called environmental dumping, or "eco-dumping." Vice President Al Gore, in his bestselling *Earth in the Balance*, argues that "weak and ineffectual enforcement of pollution control measures should also be included in the definition of unfair trading practices."

The remedy for eco-dumping is a mixture of protectionism, industrial policy, and regulation. To offset the unfair cost advantages of another nation, a government can impose tariffs on the offending nation's imports (protectionism), or a government can subsidize the exports of its politically-preferred businesses (industrial policy). The purpose of import and export restrictions and subsidies is to induce nations to adopt stricter environmental standards, "internalizing" the externalized costs of unenlightened environmental policies. In this manner, nations can "harmonize" their trade-related regulations and risk assessment practices to facilitate an overall improvement in standards.

Harmonization of production standards is envisioned as a means of establishing minimum environmental standards, either in the context of a regional trade agreement, or through a system of global environmental standards.

Environmental opposition to free trade stems from harsh scrutiny of "market failure" and the uncritical acceptance of political approaches to environmental protection. Wherever the market "fails" to protect environmental values to the desired degree, political intervention is assumed to be the solution. Because all economic activities have some impact on environmental quality, there is no end in sight for government intervention in the marketplace. Viewing economic growth as incompatible with a healthy environment, the environmental lobby insists on political restraints on private activity, both domestically and internationally. The environmentalist perspective is rapidly becoming conventional wisdom.

Richer Is Cleaner

Ultimately, however, there is no contradiction between a commercial free market and environmental quality. Numerous academic studies demonstrate a positive link between economic growth and environmental quality. Princeton University economists Gene M. Grossman and Alan B. Krueger have found that "economic growth tends to alleviate pollution problems once a country's per capita income reaches about \$4,000 to \$5,000 US dollars." In fact, levels of sulfur dioxide are significantly lower in countries that engage in significant international trade.

The link between economic growth and environmental improvement becomes clear in reviewing the ecological successes of the developed world. According to the World Bank, the economies of Organization for Economic Cooperation and Development (OECD) countries have grown by approximately 80 percent since 1970. During that time period, these countries have achieved nearly universal access to clean water supplies, sanitation, and waste disposal. Air quality has improved dramatically, with particulate emissions dropping by 60 percent and sulfur dioxide emissions by 38 percent. Pollution from large shipping accidents and oil spills has declined, and nearly all countries have increased the acreage of their forestlands. Similar statistics for the developing world demonstrate that improved environmental quality in all of these areas is generally associated with higher income.

There are a variety of reasons for the beneficial relationship between growth and environmental quality. As economic activity increases, so does human interaction with nature. Since most human actions strive to improve quality of life, environmental amenities receive greater attention. Environmental improvements are particularly significant in market-oriented economies. The societal institutions that facilitate prosperity, such as property rights, market-based prices, and overall economic freedom, are equally essential for raising environmental quality. These institutions form the bulwark of private stewardship of natural resources and, thus, sustainable management practices. Market forces naturally drive economies to become more efficient by reducing the costs associated with energy and materials use, and waste disposal. Moreover, since growth creates wealth, greater economic resources are made available to address the primary human needs, which must be fulfilled before individuals will focus on environmental amenities. According to Marian Radetski, an economist at the University of Luleo in Sweden, "rich consumers are more willing than poor ones to spend substantial parts of their income for safeguarding high environmental standards." Furthermore, poverty is a significant cause of environmental degradation. Poorer people are more likely to exploit environmental commons in search of fuel wood and other basic necessities, causing overhunting, overfishing, and stress to water resources. Lacking significant employment opportunities and productive land, the poor in the Third World often must utilize marginal lands for food production, attempting to farm in deserts or tropical forests. The result is environmental degradation in the form of soil erosion, desertification, and deforestation. Moreover, economic growth enables societies to advance in ways that are environmentally beneficial. At earlier stages of development, pollution problems are likely to be more threatening to human beings. Air- and water-borne hazards can result in immediate illness or death. As societies advance, pollution problems decline in severity. Environmental concerns generally become less life-threatening, and more aesthetic in nature.

The Folly of Government Regulation

Even though growth coincides with environmental improvement, "market failure" is often blamed for the existence of pollution itself. Many environmentalists consider the system of capitalism and private enterprise inherently responsible for environmental externalities. Only government regulation in the public interest can force businesses to internalize social costs, according to this argument, and such regulation must be extended to trade. Thus, there is a strong anti-market bias to environmentalist arguments.

The market-failure argument leads inexorably to central planning; any human activity with environmental impacts must be politically controlled. Government is entrusted to effectively foster only the types of economic growth which are environmentally friendly, while preventing the types that are not. Yet no government has the capability of assimilating the vast amounts of economic, technological, and scientific data necessary to make such determinations. The task of ecological central planning is no easier than economic central planning.

If market failure was truly the cause of pollution, we would expect the absence of markets in the centrally-planned economies of Eastern Europe would have been environmentally beneficial. On the contrary, without the profit motive of the market, some of the worst environmental degradation in the world occurred in the former Soviet Bloc. Central planning failed largely because it could not

efficiently distribute resources. Neither could it safeguard environmental resources. Data from sample market and socialist economies shows that market economies become more resource-efficient with economic growth. Socialist countries, however, are generally more resource intensive, even in times of recession. Without a profit motive, there is little incentive for political owners of a resource to conserve for the future in order to maximize returns.

Free Markets Are Truly Green

In a market economy, environmental and other costs are internalized more thoroughly via the price system. Internalization is made possible by the extension of property rights and a system of voluntary exchange to an ever-wider array of resources. As environmental and other resources are integrated into the market system of voluntary exchange, information is conveyed through prices, which encourages more creative resolutions of environmental and other problems. Falling prices for energy and raw materials demonstrate that the market's technological improvements and efficiency gains are making resources more abundant.

The "market failure" argument misses the fundamental cause of pollution—the lack of private property institutions. Individuals are far more likely to care for the environmental sustainability of their own resources. Logically, the less common property there is, the less pollution will be tolerated by a society of individual property owners. Likewise, by internalizing external costs, market forces obviate the need for corrective regulations. By reducing the scope of government intervention, markets enable individuals to seek redress from those who impose unwanted pollution costs. Political owner/managers are incapable of seeking adequate redress primarily because they cannot calculate accurate prices and values for environmental amenities. Thus, a free market effectively implements the "polluter pays principle," making capitalism the only form of sustainable development. Pollution externalities could be reduced further by eliminating the remaining barriers to full private property rights.

More to Fear from Protectionism

Environmentalists need not fear that expansion of trade will produce growth in pollution. To the extent that expanded trade is generating economic growth, environmental quality should also improve. This fundamental economic reality does not change simply because goods and services are crossing borders. The same free-market institutions which generate economic gains also generate environmental gains. To the extent that protective tariffs and subsidies restrict and distort trade, they reduce income and, hence, the demand for environmental quality.

Environmentalists have more to fear from protectionism. Current agricultural policies cause major distortions of world food production and trade. Industrial countries encourage agricultural production with price supports and other subsidies totaling \$200 billion per year, while developing countries discourage agricultural production through tax and trade policies. Agricultural subsidies in the United States, for example, are responsible for intense chemical pesticide and fertilizer use on farmlands. By fostering inefficient land use, US subsidies and land set-aside programs contribute to soil erosion and loss of wetlands and forests. Federal mismanagement also encourages farmers to overplant while discouraging crop rotation, depleting soils and exacerbating pest eradication. By scaling back interventionist government policies, trade liberalization would have significant environmental benefits.

Sheehan, James M. "Globalized Free Trade Will Protect Global Resources." *Global Resources*. Ed. Helen Cothran. San Diego: Greenhaven Press, 2004. *Opposing Viewpoints*. Rpt. from "Free Trade is Green Trade." *Ecology, Liberty and Property*. 2000. *Gale Opposing Viewpoints In Context*. Web. 18 Apr. 2012.

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Globalized Free Trade Can Exhaust Global Resources

 *Global Resources*, 2004

According to Stanley Wood in the following viewpoint, trade liberalization and globalization can adversely affect the environment, especially in developing nations. Wood argues that as poor nations are pressured to produce goods for the global marketplace, they will increasingly exploit their natural resources and degrade the environment. Unfortunately, he contends, the infusion of wealth such countries eventually gain from increased trade will come too late to mitigate the damage. Stanley Wood is a senior scientist in the Environment and Production Technology Division at the International Food Policy Research Institute.

As you read, consider the following questions:

The local auto plant shuts down, and many people, including some of your friends and their parents, lose their jobs. After researching free trade using the *Opposing Viewpoints Resource Center*, write a letter to the editor of your local newspaper either condemning the plant shutdown or praising it.

Explain your position.

1. As defined by the author, what is the "inverted-U" phenomenon?
2. What are "pollution havens," according to Wood?
3. In the author's opinion, what might be the effects of global climate change on developing nations?

Globalization affects the environment in several ways. It changes the structure and pace of economic growth and, hence, the scale and nature of resource consumption and waste emission. It also fosters the creation of regulatory frameworks and institutions for promoting trade, the flow of capital, and the diffusion of technology, in ways that can exacerbate or mitigate environmental impacts. Environmental impacts may be felt locally, affecting those who earn their livelihood by exploiting resources such as land, water, and biodiversity. Or they may be felt further afield, through broader effects on natural ecosystems, the freshwater cycle, the ozone layer, nutrient flows, the climate, and so on. There are thus sound economic as well as humanitarian and ethical reasons to map the impacts of globalization on the environment.

Evidence supports the notion that open and transparent economies are more likely to be prosperous. Yet measures of prosperity rarely account for environmental costs of production. Some argue that depletion of natural resources, pollution of air, water, and soil, loss of biodiversity, and global

warming significantly reduce and in some circumstances outweigh the growth-related benefits of globalization. Furthermore, economic and environmental costs and benefits may not be equitably distributed if the lion's share of economic benefits from globalization accrues to developed countries, while the developing world shoulders the environmental burdens.

Environment, Growth, and Competitiveness

Trade generates economic benefits because, given free and efficient markets, it encourages trading partners to specialize in goods or services they have some comparative advantage in. Since developing countries often have abundant natural resources and cheap, plentiful labor, trade liberalization has fostered shifts toward labor and resource-intensive sectors such as mining, logging, garment manufacturing, and export crop production. Most of these sectors, however, generate significant environmental "externalities." These are environmental costs not reflected in the production costs of individual enterprises, be they farm households or multinational companies. The results of ignoring the true social costs of production are excessive production, resource consumption, and waste emission.

Proponents of globalization argue that many environmental problems can be countered by stimulating economic growth. A portion of the overall economic gain can be transferred to individuals and communities affected by environmental degradation. Investments can be made to strengthen environmental institutions, and cleaner, more resource-efficient technologies can be developed and adopted. Based on studies of developed countries, proponents also point to the so-called "inverted-U" phenomenon. That is, although natural resource consumption and degradation increase as economies grow, an income threshold is attained above which demand for a better environment stimulates investment in environmental protection and rehabilitation. Degradation is thus reduced. Many developing countries, however, are so poor, population growth so high, and natural resources already so stressed, that catastrophic, perhaps irreversible, environmental damage may well occur long before any such threshold is reached.

Although environmental damage can be a by-product of globalization and trade liberalization, incentives for addressing its underlying causes are mixed. While developing countries suffer the greatest damage, they are also under the greatest pressure to accelerate economic growth to increase incomes and combat poverty. And since environmental policies and institutions are likely to be weak in developing countries, producers there (be they domestic or foreign) have little incentive to care about the environmental externalities of their actions. Rampant logging of the world's biodiversity- and carbon-rich tropical forests, for example, testifies to this. This raises concerns that globalization might create "pollution havens" in developing countries, where foreign investors operate to escape stricter environmental laws and enforcement in their own countries. There are also fears that governments might progressively push environmental standards lower as they compete to attract scarce foreign investment (the "race to the bottom" hypothesis). Available evidence suggests that such fears might be overstated. Foreign investors are generally much more concerned with factors such as wage rates, available infrastructure, and the repatriation of earnings.

Some governments' adoption of lenient environmental standards raises concerns that these countries are, in effect, subsidizing exports and reducing the competitiveness of producers in countries with stricter standards. Attempts to raise environmental standards bring protests from domestic producers who are concerned about potentially higher production costs and loss of

international competitiveness. Politicians express concern too about increasing domestic prices in the face of widespread poverty. Furthermore, developing countries maintain that differences in resource endowment, pollution assimilation capacities, and social preferences with regard to environmental standards are legitimate sources of their comparative advantage. Attempting to reconcile such conflicting interests poses enormous challenges to environmental policymakers.

Global Environmental Concerns

Despite the political and technical difficulties involved, the international community has proven willing to take collective action to address environmental issues of global concern. International initiatives have been mounted on climate change (United Nations Framework Convention on Climate Change), movements of hazardous waste (the Basel Convention), biodiversity loss (Convention on Biological Diversity), trade in endangered species (Convention on International Trade in Endangered Species of Wild Fauna and Flora [CITES]), ozone layer depletion (the Montreal Protocol), desertification (United Nations Convention to Combat Desertification), and loss of wetlands (the Ramsar Convention on Wetlands). While it is not clear that globalization per se has been a dominant factor in creating the problems these initiatives address, some do relate to trade and some are likely exacerbated by trade liberalization. There is thus a growing sentiment that formal linkages should be strengthened between the World Trade Organization (WTO) process and global environmental regulation. But obstacles remain, such as resentment toward rich countries seeking to impose standards that are at odds with economic conditions and social preferences in poor countries. Moves to strengthen environmental regulation as a pre-condition for trade are perceived largely as a guise by which rich countries legitimize nontariff trade barriers.

Climate change is one of the most controversial global issues. Although there are many uncertainties, studies suggest that much of the world will be impacted increasingly by climate change linked to human-induced emission of greenhouse gases. Not only are mean temperatures likely to rise, but also the incidence and severity of extreme events such as heat spells, droughts, and floods are expected to increase. Projected climate change will not affect all countries equally however. Global agricultural production appears to be sustainable in the aggregate, but impacts on crop and livestock productivity will vary considerably across regions. Successive studies suggest that temperate areas (largely richer countries) stand to increase their agricultural potential while that of many tropical and subtropical areas will decline. The poorest countries in Sub-Saharan Africa (already a hot region with large tracts of arid or semiarid land) appear to be the most vulnerable to temperature increases and changing rainfall patterns. Countries in South and Southeast Asia could be affected by increasing irregularity and intensity of tropical storms. The Pacific Island nations could suffer losses of coastal land due to rising sea level, saltwater intrusion into water supplies, and increased damage from tropical storms. The anticipated disproportionate impact of climate change on the poorest countries means the number of people at risk of hunger is also projected to rise, compared to a baseline without climate change.

Forces for Change

Asymmetries exist not only in the likely environmental impacts of globalization on developed versus developing countries, but also in the capacity of countries to mitigate or adapt to change or to seek

compensation. Most developing countries have only limited mechanisms by which communities can seek redress when confronted with environmental externalities like water pollution and increased flooding caused by activities upstream, or the loss of food and fuel wood due to forest conversion. But externalities may also have consequences far beyond the location of production. When externalities "spill" across borders, such as greenhouse gas emissions, ozone layer depletion, and biodiversity loss—particularly extinction of species—the full force of international environmental advocacy is often mobilized. Global grassroots activism now has a significant influence on international trade dialogues, including their environmental aspects.

Recent developments in information and communication technology are also shaping the debate on globalization and the environment. The Internet and email are powerful tools for sharing information among global communities, including scientists, the private sector, policy analysts, community leaders, and environmental activists. Information on best practices, technology, institutional innovations, and specific environmental incidents can be relayed rapidly the world over in photos, text, web links, and sound bites. The enhanced flow of information is proving particularly valuable to environmental advocacy and action groups in developing countries. Access to information hitherto unavailable nationally strengthens the capability of such organizations, often nongovernmental organizations (NGOs), to raise awareness and promote national debate on the plight of the environment and the people whose livelihoods depend on it.

Mobilization of informal collective action in developing countries is also proving effective. While studies of firm behavior in developed countries cite regulatory pressure as the most potent driver of environmentally preferred technical change, similar studies in developing countries find community pressure to be the predominant force. Increasingly too, the policies and practices of multinational enterprises in developing countries are shaped by (fear of) adverse media campaigns mounted by international NGOs aimed at developed-country consumers and investors.

The Need for a Concerted Global Effort

Global environmental issues, ranging from depletion of natural resources and biodiversity to climate change, are complex. Analyses of future trends are cloaked in uncertainties, given our limited understanding of earth systems and their interactions with changing economic and social conditions. Population growth, shifting consumption patterns, and institutional innovation will undoubtedly continue to affect the environment, as will the pace and nature of technical change. There is reason to believe that these changes will hasten the deterioration of environmental conditions faced by already vulnerable populations in developing countries. Such deterioration would likely reinforce vicious cycles of humanitarian crises, conflict over resources, and lack of development. To confront these pressing environmental challenges, a concerted global effort is needed with rich countries taking the lead and prepared to adopt a truly global vision.

Wood, Stanley. "Globalized Free Trade Can Exhaust Global Resources." *Global Resources*. Ed. Helen Cothran. San Diego: Greenhaven Press, 2004. Opposing Viewpoints. Rpt. from "A 2020 Vision for Food, Agriculture, and the Environment." *www.cgiar.org*. 2001. *Gale Opposing Viewpoints In Context*. Web. 18 Apr. 2012.

Globalization Is Harmful to the Environment

 Globalization , 2006

"Many of the environmental and social problems that result from globalization are inherent in the model."

Global corporations lower those local environmental standards that restrict global economic growth, Jerry Mander maintains in the following viewpoint. As a result, these corporations are able to exhaust nations' resources and pollute with impunity, he asserts. Increased trade between nations also increases the need for global transport, he argues, which in turn increases fossil fuel usage. Mander, president of the International Forum on Globalization, is author of *The Case Against the Global Economy: And for a Turn Toward the Local*.

As you read, consider the following questions:

1. In Mander's opinion, how are earlier versions of global trade different from the modern version of economic globalization?
2. What is produced by the process of challenging democratically created laws and standards, in the author's view?
3. According to the author, how much of the world's water goes to industrial agriculture?

Among many preposterous claims, advocates of economic globalization argue that the model increases long-term environmental protection. The theory goes that as countries globalize—often by exploiting resources like forests, minerals, oil, coal, fish, wildlife and water—their increased wealth will enable them to save more patches of nature from their ravages. Once they have reaped great profits, they will be able to introduce technical devices to mitigate the negative environmental impacts of their own increased production. The evidence suggests, however, that most of the benefit goes to global corporations, who have little incentive to put their profits into environmental improvements.

Many of the environmental and social problems that result from globalization are inherent in the model. No "side agreements" or techno-fixes will solve these problems. They are intrinsic to the form. We may have to change the form.

Nature or Nurture?

Advocates of economic globalization prefer to describe it as an inevitable process, the result of uncontrollable economic and technological forces that have simply evolved over centuries to their present form; that it's utopian to believe otherwise. Of course, if we accepted this description of the inevitability of it all as most media, governments, and universities tend to do, then obviously there would be no resistance possible and no point in talking about it. Our only option would be to lie there, watch TV, and submit, or else try somehow to take advantage of it for our own purposes.

Of course it's true enough that global trade has indeed existed for centuries in various forms. But earlier versions were entirely different from the modern version in scale, speed, form, impact and most importantly intent. The modern version of economic globalization was created by human beings, on purpose, and with a specific goal: to give primacy to economic—more correctly, corporate—values, above all others, and to aggressively install and codify those values globally. It was not inevitable, and it can be reversed or revised.

Globalization, as now designed, works to integrate and merge all economic activity on the planet within a single homogenized model of development that directly serves the efficiency needs of the largest corporations by allowing them to duplicate their production and marketing efforts on an ever expanding terrain. Primary importance is given to the achievement of economic *hypergrowth*, fueled by the constant search for access to new resources, new and cheaper labor sources, and new markets. It is the job of instruments of globalization such as the World Trade Organization (WTO) the World Bank, the International Monetary Fund (IMF), etc., to assist these processes by creating rules that require nations to conform to these principles, while eliminating impediments within individual nations that might restrict corporate access to markets, labor, and resources. In practice, unfortunately, most of these so called impediments are laws created by governments, which are nonetheless viewed by free traders as "non-tariff barriers to trade" and are subject to WTO challenges.

Challenging the Environment

Though it is only seven years old, the WTO already has an impressive record for challenging democratically created laws and standards. It's been particularly potent in the environmental realm. The WTO's very first ruling was against a portion of the U.S. Clean Air Act, which set high standards against polluting gasoline. A section of the Act was found to be noncompliant with WTO trade rules and, like so many standards since, had to be softened. In agriculture areas, the WTO has ruled in favor of large machine and chemical intensive global industrial agriculture corporations over small-scale family farming, and indigenous farmers—most appallingly in the famous Chiquita banana case. That case held that the European Union could not favor small indigenous, often organic, farmers within former European colonies, over the industrial bananas from Chiquita.

The way these challenges work is really interesting. Almost always, countries challenge other countries' trade rules on behalf of global corporations. So the U.S. sues to protect Chiquita bananas, and Venezuela sues to protect its oil industry, and Mexico sues to protect its tuna industry. The whole process produces a mutual ratcheting downward of environmental, labor, and health standards. It's a way that corporations can get their own governments to destroy laws in other countries, just as they pressure for deregulation domestically. The result is that all laws and standards race downward to a low common denominator, just as is happening with global wage standards.

This is not to mention a secondary "chilling effect" from this process. For example, Canada cancelled its national ban on the gasoline additive "MMT," a well-known carcinogen, under threat of suit through the North American Free Trade Agreement (NAFTA).

The Consequences of Increased Global Transport

Arguably the most important principle of free trade is its emphasis on global conversion to *export-oriented production*. The central feature of an export-oriented model is obviously that it increases transport and shipping activity. Minneapolis economist, David Morris, loves to use the example of a toothpick, which comes wrapped in plastic, and is marked, "Made in Japan." Japan is skilled in industrial production, but it has very few trees, and no oil. But in a global economy, it is somehow thought efficient to ship wood from a country that has it—Chile, Canada, the U.S.—and also to ship barrels of oil to Japan, then wrap the one in the other, package them in serviceable commodity units, and ship them back across oceans to consumers. That toothpick, by the time it is finally used, might have traveled 50,000 miles. Similarly, ingredients in the average plate of food on American dinner tables these days is estimated to travel on the average about 1,500 miles from source to plate. As global transport increases, it requires massive increase in global infrastructure development. This is good for large corporations like Bechtel, who get to do the construction work. But it's bad news for the environments where new airports, seaports, oilfields, pipelines for the oil, rail lines and high speed highways are needed. Many of these things are built in wilderness or forested areas with previously intact biodiversity, coral reefs, rural areas, etc.

Even more important is the increase of fossil fuel use. Ocean shipping carries nearly 80 percent of the world's international trade in goods, and projections indicate major growth over the next few years. The fuel that's commonly used is a mixture of diesel and low quality oil known as "Bunker C," which is particularly polluting.

Increased air transport is even worse than shipping. One physicist at Boeing once described the pollution from the take-off of a single 747 as being like "setting the local gas station on fire and flying it over your neighborhood." A two-minute take-off of a 747 is equal to 2.4 million lawn-mowers running for 20 minutes. It's now estimated that the increase of global transport is one of the largest contributors to the growing crisis of climate change.

Connected to global transport is the epidemic increase of bio-invasions, a major cause of species extinction. With the growth of global transport, billions of creatures are on the move. From viruses to rats; from bacteria to mosquitoes; from nematodes to exotic seeds; all are getting free transport in the global economy, and many are thriving in their new homes, often outcompeting native species, and bringing pollution or health crises.

There is no way around the problem. If you are going to design a system built on the premise that dramatically increased global trade is good, you are going to increase transport activity and you are guaranteed to bring on these kinds of problems, and many more. They are intrinsic to the model.

Creating Hunger and Ecological Destruction

Industrial agriculture is said to be efficient and to produce cheaper food, but these claims are false. This is a kind of efficiency that ignores the costs of air, water, and soil pollution; toxic rivers and dead

fish; the loss of topsoil from heavy pesticide and machine intensive production, and the increased use of fossil fuels. Although their numbers are dwindling, nearly half of the world's population is small farmers. With their intimate knowledge of local crops and how to breed for local soils and climate, how to minimize insect blights and keep soil productive, they feed their families, communities and local and regional markets. However, through the new industrial agriculture system, often run by global transnational corporations, farms are bought up and merged into huge ones. They eliminate diverse cropping and substitute single-crop monocultures for the export market.

Eventually, the farmers and their families are forced to flee to crowded urban slums where they compete for rare, poorly paid urban jobs. Families that once fed themselves become society's burden, while huge agribusinesses profit.

The environmental problems that are intrinsic to this shift to industrial agriculture are immense. By definition, monocultural production drastically reduces biodiversity, not only by killing the microscopic life within the soils through heavy chemical use, but also by reducing production of commodities to one or two export varieties. Where indigenous Filipinos, for example, once grew thousands of varieties of rice, now two varieties account for 98 percent of production, and the other varieties are disappearing. According to the Food and Agriculture Organization (FAO) of the United Nations (UN), the world has already lost up to 75 percent of its crop diversity because of the globalization of industrialized agriculture.

Taking all these external social and environmental costs into account, is it not preposterous to call this system efficient? Maybe you can get a tomato from Mexico at a few cents less at the store, but we all pay more in higher taxes in future years to clean up the messes this system causes. In the end, however, the environment pays the most.

Now companies offer biotech as a "clean" solution. Corporations patent indigenous varieties of seeds that communities of farmers have developed for millennia, and genetically alter seeds so they will not reproduce—these are so-called "terminator" seeds—thus assuring that farmers must buy new seeds annually from the corporations. Does anyone really believe this has something to do with feeding the hungry? That's just their advertising slogan.

The Commodification of Water

The UN reports that now more than one billion people on earth lack access to clean drinking water. Population growth is not the major problem—the rate of increase in water use is twice the rate of population growth. Why? People only use about 15 percent of the global fresh water supply, however 65 percent goes to industrial agriculture (which uses it at a much higher rate than do small farms) and to high tech production, especially for computer chip manufacture, which requires absolutely pure water.

One would expect governments and global bureaucracies to advocate conservation. Instead what's being proposed is to privatize, commodify, and globalize the planet's remaining fresh water—its lakes, rivers, streams—to sell exploitation rights to corporations, and let the global market decide who gets to drink it or use it. Most of the water goes to industrial users once water systems are fully

privatized and globalized—a process that is being massively aided by the new General Agreement on Trade in Services (GATS), as well as the Free Trade Area of the Americas (FTAA). Most of the people on the planet who are actually thirsty, will not be able to pay for it. Who gets the scarce water—Bill Gates or the peasants in Bolivia?

Mander, Jerry. "Globalization Is Harmful to the Environment." *Globalization*. Ed. Louise I. Gerdes. San Diego: Greenhaven Press, 2006. Opposing Viewpoints. Rpt. from "The Environment and Globalization." *IFG Bulletin* 3 (Summer 2002): 1-43. *Gale Opposing Viewpoints In Context*. Web. 18 Apr. 2012.