

Global Trap

By Hans-Peter Martin and Harold Schumann. London: Zed Books Ltd., 1997.

This book presents a most readable perspective on economic and social trends in the coming century. Though retaining a European focus throughout, the material spans the world and supports arguments that are of relevance to individuals in whichever continent they may live. The authors describe an incessant march toward globalization in finance and industry, a march that is forcing political change upon a Europe that is simply unprepared, a march toward the *Global Trap*.

Opening the book, the reader finds himself in San Francisco's Fairmont Hotel, an oasis of luxury in a desert of mere wealth, where the world's leading thinkers and elder statesmen have gathered to discuss the future of our planet for an appropriate fee. A most plausible economic horror story follows. In the not-too-distant future, machines will replace humans in so many spheres of industry that there will be sufficient work for only 20 percent of the developed world's population. In this 20:80 society the 20 percent shall surround themselves with electronic security and wire fences and the 80 percent will be doped with welfare payments, trivial game shows, and other such "tittytainment." Amusing catchphrases spice *Global Trap*, trivializing yet somehow succeeding in summarizing a whole worldview. One immediately recognizes "MacWorld versus Jihad" as the much predicted confrontation between free market capitalism and Islam.

The authors' main concerns are expounded in a serious manner. They discuss the nature of the massive modern conglomerate whose control lies beyond the reach of national government. Moving their production to the least expensive locations, these seemingly anonymous entities by default produce their wares in those countries where environmental protection and employee rights are at a minimum. In another discussion, one's attention is turned to the speculator whose activity impacts upon so many significant areas of modern life.

Much attention is paid to the rapidly widening gap between the rich world and the poor world, a gap which threatens the survival of both. In a sobering portrayal of one possible European future, the barriers are raised against floods of cheap imports and of immigrants wishing that they too could share the living standards of the rich world. But the immigrant finds himself in the midst of a different kind of economic nightmare, a world in which life on a human scale is no longer possible or profitable, in which the individual is enslaved in mortgage debt, works at maximum output, or, does not work at all. Feeling that they no longer have a voice in their own destiny, the indigenous population turns toward radical political solutions, toward the protectionist, the xenophobe, and the fascist.

Does any of this sound familiar? Of course, the genre of doom and gloom has a long pedigree, but this is not intellectual pornography for those awaiting the end of the world. There is little, if any, wild extrapolation of current trends in order to predict future despair. Instead, the authors present well-researched fact to support their forecast of what might be if solutions are not found in time.

In 1996, the wealthiest 358 individuals on the planet owned more than the poorest 2.5 billion. This is a truth that should shock us. It is not the fault of any one person but rather of the system, of the unfettered free-market capitalist system whose values are permeating the globe. And what hope is there of financing a modern welfare state when, in a country like Germany today, many large corporations pay less tax than they did ten years ago despite making higher profits?

The questions that arise in this book are far-reaching and affect the lives of individuals especially in the rich countries. The rich world knows luxury and therefore has the capacity to miss it, the poor world doesn't. Is Europe seriously expected to compete with low-wage Chinese sweatshops? Which EU citizen wants his or her mother to work for 25 cents an hour? Europe and the West in general simply do not have the stomach for the fight.

I wholeheartedly agree with much of the authors' diagnosis. Something should indeed be done to address the risks of the derivatives time-bomb that ticks underneath the global financial market and to calm the foreign exchange roller-coaster that makes international investment so difficult to plan. With huge bets being placed in the financial casino, and with such complex interlinkages between the institutions in those markets, it will take just one default at the wrong moment, just one little war, to bring the whole structure crashing down.

Ultimately, lovers of doom and gloom will be disappointed. The authors propose some credible solutions to the problems that they foresee, including a form of European democracy in which the European Commission is elected by the European Parliament and in which national parliaments allow citizens of other EU member states to speak on European issues whenever they are debated; a European monetary union that provides a stable trading block that rivals America and Japan; and European trade unions that better represent the interests of the worker against the multinational companies. With these measures in place, the people of Europe will trust their decision-makers and move together toward a stronger foundation for political and economic progress.

Some of the authors' proposals immediately strike home. I, too, feel that political decisions should be made at as local a level as possible, not by anonymous persons who sit at the center of a European superstate. Action does seem warranted to limit the use of off-shore tax havens by multinationals and wealthy individuals who wish to avoid paying their fair share of tax. But using selective trade barriers against those developing countries who exploit their labor force and environment? Well, if exploitation means using children on twelve-hour shifts or pouring untreated poison into rivers, I can again sympathize, though most rich countries do not have a history of employee rights or environmental care of which to be proud.

Yet, for all these proposals, I am left with a feeling that the finger of blame has not been pointed at a major player in this whodunnit. Is Europe's failure to "Europeanize civil society" really one of the chief culprits? Are European monetary union and a tax on currency speculation really the cure for its monetary ills? As a Muslim I believe that one of the central injustices of the modern world is the practice of usury, a primary evil to be eradicated before second-order problems can be addressed. To ignore usury in an analysis of the world's ills is to ignore a fundamental cause of this injustice, yet nowhere in this book does

the subject appear. The importance of usury seems to have been forgotten despite its overriding impact upon the modern financial system. With this one reservation, I recommend *Global Trap* to all those who concern themselves with the momentous changes that Europe and the world seem sure to face within a generation.

Tariq El-Diwany
Financial Consultant
United Kingdom