Globalisation and its ill effects

What is the issue?

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- In fewer than six months, two mighty countries who pushed glabalisation suddenly appear to be reversing course.
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- In championing such a reversal, Donald Trump and Nigel Farage of Britain identified major fault lines in the concept of globalisation and skillfully communicated them to the people.
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What are the problems of Globalisation?

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- A major problem with globalisation is that **it does not penalise bad actors.** The bankers and traders were responsible for the financial crisis. But no one was punished and the banks were bailed out **at taxpayer expense**. In a non-globalised world, there would have been serious penalties imposed on hundreds of individuals, including regulators.
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- For example Greece. It went amok with highly irresponsible decisions that brought Euro to the brink. But in an irony, it was Greece's Prime Minister who made it appear as though the Eurozone banks were being too cruel. If a common man had borrowed money from a bank and defaulted on his obligations the bank would go after his collateral for cause.
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- In globalisation, the common man sees a rigged system that is harsh on him but is lenient to elites who do far more damage.
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- Another problem is the **hypocrisy**. Consider the case of a worker displaced when a plant moves its operations overseas. There is a provision for the host

government to fund the worker's retraining. But attending school and learning new skills is fundamentally not an easy thing to do. Even if the worker does this and competes to find a job, he often loses out to an immigrant who is willing to work for far less. The common man sees a double standard at work: The government is giving assistance to the displaced worker with one hand but is taking it all away with the other with generous immigration policies that hurt the very worker who was to be helped by the retraining programme.
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- **Indifference** - Elites dismiss complaints about outsourcing saying that it is a necessary by-product of globalisation. But the common man sees that this practice hurts people, families, and communities like nothing else.
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- **Neglection** - The common man is also deliberately forgotten for the greater good. The recent climate accord eliminates CFCs from use in commercial air conditioners. But doing so will mean that air conditioners will get far more expensive for the world's rising middle classes.
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- Every policy has winners and losers. Globalisation was fine as long as there were more winners than losers.
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- **Pride** - When common men took their issues to leaders in government, industry and the media, they were often dismissed, even branded racist or bigots for not coping with a changing world.
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So the losers in the globalisation battle formed a silent majority. They held their opinions from pollsters or even lied to them when asked. And on election day, they took their heartfelt disillusions to the privacy of the ballot box without having to fear recrimination from anyone.

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