Capitalist World-Economy, Globalization, and Violence

Implications for Criminology and Social Justice

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During the past two decades, neoliberal economic policies have been enacted in many peripheral regions of the world. Neoliberalism promotes free trade, deregulation, privatization, and welfare reduction; however, it does not call for state rescission of social control and legal coercion. Global capitalism has asserted itself as the dominant force in modernity. It transcends the nation-state system. For example, the United States was the primary hegemon throughout much of the 20th century. Yet since the appearance of global capitalism, transnational corporations now dominate the world-economy. Wealth is heavily concentrated in the hands of an elite capitalist class. The resultant income inequality, coupled with increased state surveillance and formal control, increases structural violence throughout the periphery. The purpose of this article is to examine the structural inequalities in the Americas, while presenting possible solutions to the neoliberal crisis from a social justice perspective.

Keywords: world-economy; modernity; globalization; neoliberalism; violence; social justice

For of the last stage of this cultural development, it might well be truly said: "Specialists without spirit, sensualists without heart; this nullity imagines that is has attained a level of civilization never before achieved."

Weber, 1930, p. 182

There had only been one "modern world." Maybe one day there would be discovered to be comparable phenomena on other planets, or additional modern world-systems on this one. But here and now, the reality was clear—only one.

Wallerstein, 1976, p. 7

The United States is not the first nation to configure world relations for the benefit of the capitalist world-economy, nor is it the first power to exploit the semiperipheral and peripheral areas of Latin America. Neoliberal economic initiatives globalize Western consumer culture throughout the world. Principles from the Washington Consensus, such as deregulation, privatization, and free trade, promote a form of unbridled global capitalism. The social consequences of the global world-economy have been striking. Globalization has exacerbated poverty, income inequality, and structural violence in developing nations. A neoliberal crisis presently exists in much of Latin America.
This article juxtaposes theories of modernity with the empirical reality of neoliberal economic policy and the consequences of such practices for social development in Latin America. It is essentially divided into three parts. The first section reviews two theoretical perspectives that define the state of our modern world order. In particular, I draw from the neo-Marxian world-system theory of Wallerstein (1974, 1980, 1989) and the neo-Weberian treatises from Giddens (1981, 1984, 1985, 1990), with special attention to Giddens’s (1990) theory of globalization. Both Wallerstein and Giddens posit theories of modernity that share a common ontology and critique of the modern world. For example, both hold that contemporary society is in a state of late modernity characterized by a global world-economy and a nation-state system with geopolitical boundaries. My choice to use theories from Wallerstein and Giddens as the framework for this article is deliberate resistance against postmodernist thinking that seems to be reinterpreting the past, present, and future of political theory.

Of course, I am referring to Hardt and Negri’s (2000) seminal work, Empire. They insist on breaking from the “dominant paradigms of scholarship” and approach the study of political economy from a postmodernist orientation. They borrow heavily from Foucault’s (1966, 1969, 1979, 1980) vision of postmodernism and employ methods such as linguistic, discourse analysis and deconstructionism to critique global capitalism and propose alternative forms of social organization (Hardt & Negri, 2000, pp. 46-48). Their work is indeed impressive, and it is well beyond the scope of this article to adequately review all the nuances of Empire. Moreover, I am not writing this article in opposition to them, nor do I wish to critically engage their argument. Insightful criticisms already exist (e.g., see Brennan, 2003; Kapferer, 2002; Sherman, 2004; Thompson, 2005). My main point of contention with Hardt and Negri’s position is that one need not abandon the dominant paradigm of scholarship to critically assess the elements of the modern world. Postmodernism differs radically from theories of modernity on ontological and epistemological grounds (e.g., see Foucault, 1969). It is my hope to show that theories of modernity are still useful in the critique of globalization and that we are still in a modern age of world-economy, not world-empire. This article contributes to the tradition of Giddens’s Third Way and incorporates classical or neoclassical sociological theories in a way that does not require a paradigm shift to postmodernism. As Giddens (1990) noted, “rather than entering a period of post-modernity, we are moving into one in which the consequences of modernity are becoming more radicalised and universalised than before” (p. 3).

In the second part of this article, I examine the transnational origins of neoliberalism and its negative consequences for social life in Latin America. Then, in the final section, the linkages between globalization and violence are considered, along with the effects of structural violence on the children of modernity. Solutions to the neoliberal crisis are explored from the literature on social and restorative justice as well as peacemaking criminology. Giddens’s (1984) remarks on social movements vis-à-vis his theory of structuration are also used to frame the final part of this article.

Part 1

World-Empire or World-Economy?

To refer to the United States as a world-empire is very tempting. After all, the United States was a preeminent character in international relations for most of the 20th century. In
fact, the Allied forces molded the world for their mutual benefit after World War II. To this
day, the United States has continued to exert its will on less powerful nations. However, evi-
dence exists that the power of the United States might be waning (Wallerstein, 2001, 2002).
More important, it is theoretically problematic to imbue the United States with empire status
in the contemporary international milieu. Therefore, a primary objective of this article
involves reviewing the theoretical vernacular by which this modernist critique of globaliza-
tion is made possible. The first task, then, is to distinguish between world-empire and world-
economy; this is accomplished through a comparison of Wallerstein’s (1974, 1980, 1989)
world-system theory with Giddens’s (1990) treatise on globalization.

Wallerstein (1974, 1980, 1989) argued that human civilization is marked by two types
of social systems. That is, the boundaries, structures, member groups, rules of legitimation, and
coherence that characterize society generally take the form of either a world-empire or a
world-economy. Moreover, he defined a world-empire as “a single political system over most
of the area, however attenuated the degree of its effective control,” whereas a world-economy
contains “those systems in which such a single political system does not exist over all, or vir-
tually all, of the space” (Wallerstein, 1974, p. 348). This is an important dichotomy, one that
may ultimately turn out to be false. Nonetheless, at the outset, it is a convenient heuristic by
which to conceptualize the past 500 years of world history. Wallerstein also mentioned a third
type of world-system (i.e., a socialist world government); however, he noted that no such
form has ever existed. Consequently, although Wallerstein wrote from a neo-Marxian per-
spective, he did so with historically appropriate terminology that was accepted by the domi-
nant paradigm. By comparison, Hardt and Negri (2000) specify empire as a theoretical con-
cept, not metaphor, that “presents itself not as a historical regime originating in conquest, but
rather as an order that effectively suspends history and thereby fixes the existing state of
affairs for eternity” (p. xiv). Their postmodern version of empire is quite different from the
modernist conceptualization of it as a premodern era before the advent of capitalist economy.

Several features of the modern world-economy have made it the dominant form of world-
system since the 16th century. In fact, prior to the 16th century, world economies tended to
either be converted to world-empires or disintegrate. Capitalism is the single most important
aspect of the modern world-economy. Wallerstein (1974) even claimed that “capitalism is
only feasible within the framework of a world-economy and not within that of a world-
empire” (p. 52). He went on to suggest that “capitalism as an economic mode is based on the
fact that the economic factors operate within an arena larger than that which any political
entity can control” (p. 348). The capitalist world-economy flourishes because it is not con-
fined to any one political system. In addition to capitalism, technology, transportation, and
communication helped make the world-economy a superior world-system than the world-
empire.

The modern world-economy is also characterized by an extensive geographical division of
labor (Wallerstein, 1974). Core-states, semiperipheral, and peripheral areas compose the
world-economy. The United States is a core-state in a contemporary world-system; Latin
America is divided into semiperipheral and peripheral regions. Labor is unevenly distributed
between these divisions of the world-system. In Marxian terminology, core-states exploit
labor produced by semiperipheral and peripheral regions; core-states receive a surplus of the
labor produced by workers in the other two areas.

For example, during the 16th, 17th, and 18th centuries, Spain, France, England, and Hol-
land were primary core-states; the colonies in North, Central, and South America constituted
the peripheral areas. Core-states colonized peripheral zones and exported labor and materials from these regions; this activity generated profit, accumulation, and consumption for the capitalist class of the core-states. Latin American historians uncovered the following themes during the 1940s:

The entrepreneurial drive and profit motive of the original colonizers, the evident force of mercantile exploitation as an engine structuring and restructuring economic life and social relations in Latin American hinterlands, the subordination of Iberian America to the role of provider of primary commodities and an economic surplus to the expanding world market of a Europe undergoing the rise of commercial capitalism. (Stern, 1988, p. 833)

This line of historical research seems to verify Wallerstein’s thesis and provide some merit to world-system theory.

Strong state machinery and a national culture enabled core-states to maintain and protect the disproportionate division of labor in the world-economy. Wallerstein (1974) put forth this notion:

In a capitalist world-economy, political energy is used to secure monopoly rights (or as near to it as can be achieved). The state becomes less the central economic enterprise than the means of assuring certain terms of trade in other economic transactions. (p. 16)

The core-states also were involved in competition for domination of the peripheral areas. Thus, the features of the world-economy that allowed it to prosper when world-empires were failing included capitalism as the economic mode, strong state machinery with a national culture, technology, transportation, and communication.

A weighty implication of Wallerstein’s world-system theory is that it potentially rules out the possibility of a U.S. empire. In fact, he has suggested that Nazi Germany last attempted to forge a global empire (Wallerstein, 2002). However, the United States may be seen as a hegemonic power with empire-like (i.e., imperial) tendencies (Wallerstein, 2003). The United States became a hegemon, or dominant power, in the world-system after the Civil War, during the world recession of 1873 (Wallerstein, 2002). The apex of U.S. hegemony in the world-system occurred after World War II, in 1945. The United States then had the greatest economic capability and military strength of any other nation-state in the world.

When one considers U.S. foreign policy in Latin America and other semiperipheral areas, it is difficult to resist conceptualizing the United States as a bona fide world-empire. Wallerstein (2001) reviewed the measures that the United States has taken to deal with threats to its interests. He detailed policies of neutralization, containment, and gunship diplomacy that the United States extended in semiperipheral areas such as Iran, Guatemala, Lebanon, the Dominican Republic, and Chile. In particular, according to Wallerstein, the U.S. government actively supported the coup d’état in Chile to overthrow the freely elected government of President Salvador Allende.

According to Aiyer (2001), the United States has engaged in low-intensity conflicts as a means of achieving U.S. imperialist goals without full-scale war. Low-intensity conflicts involve economic embargos, terrorism, diplomatic pressure, strengthening friendly military forces, and the establishment and support of conservative and counterrevolutionary oppositional civil groups. These tactics and strategies reified the position of the United States as the dominant core-state in the Americas. However, the United States only attempted to
configure state machinery in these semiperipheral regions. The world did not witness the pattern of conquest and colonization consistent with empire building. Rather, these maneuvers by the United States after World War II were only designed to reinforce its hegemonic position in the world-economy.

Modernity and Globalization

Even with ample evidence about the offensive posturing of the United States, its characterization as a world-empire is still problematic from a world-system perspective. Giddens's (1990) treatises on globalization and modernity might provide a more appropriate model than Wallerstein's world-systems theory for analyzing U.S. hegemony. According to Giddens (1990), "modernity refers to modes of social life or organisation which emerged in Europe from about the seventeenth century onwards and which subsequently became more or less worldwide in influence" (p. 1). Both Giddens and Wallerstein agree that something of worldwide significance occurred during the European expansion after the 16th century.

Giddens (1990) traced the contours of modernity and included four institutional dimensions in his conceptualization of it. Capitalism, the first institutional dimension of modernity, involves "a system of commodity production, centred upon the relation between private ownership of capital and propertyless wage labor" (Giddens, 1990, p. 55). Capitalist societies are competitive and expansionist in nature. Innovation in technology is always evolving. The economy is "insulated" from other social institutions. Private property in the means of production ensures that the polity and the economy are distinct. The state has "conditioned autonomy" in capitalist societies. The state is dependent on, but not determined by, capital accumulation. Industrialism is the second institutional dimension of modernity, and it is characterized by "inanimate sources of material power in the production of goods, coupled to the central role of machinery in the production process" (p. 56). Giddens (1990) framed the other two dimensions of modernity in the concept of a nation-state. In particular, nation-states are adept at surveillance, "the supervision of the activities of subject populations in the political sphere," and military power, "control of the means of violence in the context of the industrialization of war" (pp. 58-59). Thus, Giddens saw aspects of the economy (i.e., capitalism and industrialism) and the polity (i.e., surveillance and military power) driving the modern world order.

The theories of both Wallerstein and Giddens are modernist perspectives. However, Wallerstein focused exclusively on the capitalist world-economy. Giddens (1990) was somewhat critical of Wallerstein's essentialism, remarking that "world-system theory thus concentrates heavily upon economic influences and finds it difficult satisfactorily to account for just those phenomena made central by the theorists of international relations: the rise of the nation-state and the nation-state system" (p. 69). Giddens further extended his model of modernity by integrating literature on the development of the nation-state system with a critique of capitalism.

Globalization is a central feature of modernity. Giddens (1990) defined globalization as "the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa" (p. 64). Globalization also has four dimensions, which mirror the different institutional bases of modernity. These include the world capitalist economy, an international division of labor, the nation-state system, and a world military order.
An example from Latin America may elucidate the concept of globalization. Although consumer goods (e.g., cars, videocassette recorders, fax machines) are now readily available in Latin America, most of the region’s inhabitants are unable to purchase these products:

The great majority [of Latin Americans] do have some access to a TV, if only at the house of a neighbor. So Brazilians and Chileans and Colombians who cannot have a car nevertheless live thoroughly immersed in Western consumer culture and, night after night, watch bright television commercials tailored to those able to emulate the lifestyle of the U.S. middle class. (Chasteen, 2001, p. 16)

The dominant characteristic of modernity is thus its ability to globalize capitalism and its associated market forces throughout the world. Technology, which is linked with industrialism, enables globalization to rapidly occur. Globalization is the central feature of modernity that sets it apart as a distinctive historical era.

Furthermore, in Giddens’s model of modernity, the nation-state system is as prominent as capitalism. The level of a nation’s wealth partially determines its influence on the world political order. Yet as Giddens (1990) remarked, “[nations] do not operate as economic machines, but as ‘actors’ jealous of their territorial rights, concerned with the fostering of national cultures, and having strategic geopolitical involvements with other states or alliances of states” (p. 72). In addition to wealth, the power of nation-states comes from their sovereign capabilities.

Giddens’s treatise on modernity adds an important element to Wallerstein’s world-system theory: the nation-state system. Indeed, the two distinctive characteristics of modernity are the nation-state and systematic capitalist economy. Because each of these transformative agencies developed in the West, modernity becomes a Western project that involves the dispersion of Western institutions around the world. The process of globalization ensures that non-Western cultures are crushed or absorbed into this Western project. Ogbor (2002) has referred to this phenomenon as the convergence thesis because “for all societies there is only one direction of significant change, culminating in the essentials of modern Western society, driven by technological imperatives, capitalist ethos, and increasingly, the imperatives of a market system” (p. 49). In fact, Nef and Robles (2000) claimed that the failure of alternatives to capitalism (i.e., communism and socialism in Europe) has reified capitalist modernization as the prevailing technology of development. In other words, there is no alternative to global capitalism. U.S. economic domination and political influence are felt throughout the periphery.

Although empire might seem an apt moniker for the United States, it may be indefensible from a theoretical standpoint. Wallerstein’s world-system theory seems to preclude the possibility of a modern U.S. empire. Giddens’s work also advances a complex vision of modernity as one that is inherently Western but not necessarily imperial or American. As Giddens (1990) noted, “trends towards increasing globalisation more or less force states to collaborate over issues which previously they might have sought to deal with separately” (p. 168). Thus, perhaps the metaphor of a U.S. empire should be abandoned. It may simply not be theoretically or historically possible.

Regardless, it is still appropriate to analyze the U.S. influence on the world capitalist economy, the international division of labor, the nation-state system, and the world military order. In fact, one major trend in both political economy and international relations is the study of
this hegemony and American economic, political, and military power (e.g., see Gadzey, 1994; Ikenberry, 1989). The manner by which the United States has wielded power and influence in Latin America through mainly economic and nonmilitary means presents a prime example of the capitalist world-economy in operation. A review of the rise and spread of neoliberalism in the Americas illustrates Wallerstein’s (1974) and Giddens’s (1990) modernist theories of world-system and globalization. Thus, a second task of this article involves using empirical and historical events to buttress these theories; this begins with a concise examination of neoliberalism in the Americas. Indeed, the historical trends in neoliberal economic policies and practices in Latin America support and exemplify the theoretical concepts of world-economy, modernity, and globalization.

Part 2

Neoliberalism in the Americas

Giddens (1990) described globalization as a multidimensional feature of modernity in which there is an intensification of worldwide social relations. In particular, globalization highlights the interplay between the world capitalist economy, an international division of labor, the nation-state system, and a world military order. However, the term globalization is an essentially contested concept (Gallie, 1956; Robinson, 1996). Different and competing definitions of the idea exist.

In popular usage, globalization usually refers to a set of social phenomena of a much smaller scope than that of Giddens’s modernity. Robinson (1996) made the following insight:

Globalization comprises two interwoven processes. First is the near-culmination of a process begun several centuries ago, in which capitalist production relations are undermining and supplanting all precapitalist relations across the globe, both in those areas specializing in manufacturing or services and those in primary production. Second is the transition over the past several decades from the linkage of nations via commodity and capital flows in an integrated international market, in which different modes of production coexisted within broader social formations and national and regional economies enjoyed autonomy despite external linkages, to the globalization of the process of production itself. (p. 632)

Other scholars have advanced similar yet slightly different definitions of globalization (e.g., excellent discussions of globalization include Burtless, Lawrence, Litan, & Shapiro, 1999; Couch & Streeck, 1997; Hirst & Thompson, 1999). However, most contemporary interpretations of globalization are primarily economic.

Indeed, several historical events shaped globalization and global capitalism in the Americas. The Great Depression, both World Wars, European reconstruction, and the Marshall Plan influenced international relations during the first half of the 20th century and set the stage for globalization in the second half. According to Nef and Robles (2000), the predominant framework and prescription for international development consisted of induced development strategies where developing countries could attain the Western standard of living by focusing on industrialization. Fourcade-Gourinchas and Babb (2002) concurred: “In Latin America, the guiding postwar paradigm was import-substituting industrialization (ISI), through which governments fostered economic development by protecting domestic industries from foreign competition” (p. 537). Yet Nef and Robles maintained that neoliberalism
existed in a latent and underground state during this timeframe. It was not until Keynesianism seemed to be failing that widespread support for the neoliberal thesis appeared.

The doctrine of neoliberalism had its genesis in response to Keynesian economic policies that were inspired by world events of the early 20th century. Neoliberalism requires a commitment to the world capitalist economy at the expense of the other institutional dimensions of modernity. Early neoliberal economists attacked the welfare state, bureaucratism, induced development strategies, and demand-side schemes. However, economic liberalism also has a politically conservative agenda. Nef and Robles (2000) characterized neoliberalism as a counterrevolutionary project, suggesting that neoliberal economic policies in Europe were related to strategies and tactics used by the West during the Cold War. In Latin America, neoliberalism was a conservative response to the Cuban revolution. Moreover, the United States had an active role in ridding Latin America of Marxist influences that would have impeded neoliberal economics in the region. The United States' influence in Latin America throughout the 20th century is an example not of empire building but of a powerful nation-state responding to a potential challenge (i.e., Marxism, communism, etc.) to the modern world-system (i.e., the world-economy of global capitalism). This intervention not only benefited the world-economy, but it reified the United States as a military world power.

As O’Brien (1999) noted, “U.S. foreign aid had the specific purposes of opposing socialism and encouraging capitalism and U.S. business interests” (p. 140). Both the economic and political aspects of neoliberalism profoundly influenced the world-system during the second half of the past century. The United States helped shape neoliberal economics in Latin America. In fact, Williamson (1990, 1993) outlined a list of principle economic reforms that the powers-that-be in Washington were urging Latin American countries to adopt. These include fiscal discipline, public expenditure priorities, tax reform, financial liberalization, exchange rates, trade liberalization, foreign direct investment, privatization, deregulation, and property rights.

Globalization of trade and finance is the most recent neoliberal policy of international development (Nef & Robles, 2000; Norberg, 2003). Nef and Robles (2000) pointed out one key aspect of trade globalization:

New trading regimes, under the rules laid down by the World Trade Organization (WTO) and the emergence of dominant trading blocs—the European Union, ASEAN and now NAFTA and MERCOSUR—have facilitated a transnational integration of business elites into extended circuits of trade, capital, information, and power, often by-passing national “interests” and regulatory structures. (p. 31)

The multinational or transnational corporation dominates the world-economy in this globalized trade environment. In Latin America, however, globalization has been viewed as economic colonialism (O’Brien, 1999).

Neoliberalism became the prevailing economic policy in Latin America after the 1982 debt crisis in the region (O’Brien, 1999). In the 1970s, a huge stock of capital became available to international banking firms. U.S. banks gave large amounts of credits to countries in Latin America. When the prices and volume of the principal exports fell in Latin America, these countries were unable to repay the loans. In August 1982, Mexico could no longer make its debt payments. As a result, the International Monetary Fund (IMF) intervened and enacted austerity programs in Latin America. As O’Brien (1999) noted, “under IMF-
approved plans, Latin American governments slashed expenditures, kept wages low, and reduced imports, with the purpose of reducing their credit needs and improving their ability to make debt repayments” (p. 163). The long-term effects of these neoliberal policies on the quality of life in Latin America are still uncertain.

However, neoliberalism seems to benefit core, industrialized countries more than it does peripheral, developing nations. Maria Tavares, a Brazilian economist, explained the situation as follows:

It’s unbelievable, this imperial vision of the world. It’s the attitude of the rich countries—all of them! The European Community—they’re protectionists! The U.S. is highly protectionist in certain areas, but in the Third World, it’s a free market! So we can’t protect our newly expanding industries. (Bezerra, 1996)

Global capitalism generates a double standard. Tavares noted that the free market ideology, coupled with the debt crisis of the 1980s, had a terrible impact on the Third World. In fact, Bray (1999) claimed that the combination of neoliberalism with free trade actually marked a new stage of capitalism dubbed transperialism. In transperialism, trade becomes an instrument of domination used by countries with economic strength to ensure their hegemony in the world-economy.

Despite the mounting evidence against it, some scholars still claim that neoliberalism has helped developing regions, such as Latin America (e.g., see Baer & Maloney, 1997; Fieleke, 1994; Gwynne & Kay, 2000; Norberg, 2003; Williamson, 1993). Although neoliberal globalization might favor industrial economies, it also promises many things to developing nations. According to Norberg (2003), global capitalism can produce a number of far-reaching benefits for the world. It has the potential to reduce world poverty. Globalization is also supposed to increase life expectancy and improve health. Global capitalism might even upset patriarchal traditions that oppress women. Norberg also claimed that global capitalism can reduce hunger and illiteracy. Globalization also affects politics by increasing democracy throughout the world.

Some empirical evidence exists to support Norberg’s (2003) defense of globalization. For instance, Engardio (2000) noted that globalization has created millions of jobs in developing countries such as Mexico and Malaysia. In fact, nearly $2 trillion in equity, bond investments, and commercial loans have been transferred from rich countries to poor. Moreover, information is now widely available, and telephone service has been brought to millions of households in developing nations. Fieleke (1994) compiled data to show that globalization was not making the poor poorer. Baer and Maloney (1997) also analyzed information from the world bank and concluded that “neoliberal policies cannot yet be credited with extreme regressivity, nor, more fundamentally, with the level of inequality in Latin America” (p. 323). Although this is a powerful statement, the authors’ reliance on data from the World Bank might possibly have biased their conclusions.

Indeed, most assessments of neoliberal policies in Latin America are not positive (e.g., see Aiyer, 2001; Amann & Baer, 2002; Cypher, 1998; Harris & Seid, 2000; Robinson, 1998), and many of these have direct social justice implications. Harris (2000) examined the effects of globalization and neoliberalism in Latin America at the beginning of the 21st century. Data collected by the United Nation’s Economic Commission for Latin America and the Caribbean revealed substantial income inequality in the region despite neoliberal economic
reforms. As Harris (2000) pointed out, “the richest 10 percent of the population in Brazil earns 69.5 times more than the poorest 10 percent of the population, 49.7 times in Mexico, 41.7 times more in Colombia, 36.4 times more in Chile, and 25.6 times more in Argentina” (p. 140). Furthermore, globalization is related to depressed wages, unemployment, and reductions in social and public services. These structural inequalities generate old forms of oppression in new places and create the possibility for violence in the absence of social supervision.

Globalization and its associated free market reforms have exacerbated poverty and income inequality in Latin America (Edwards, 1995; Green, 1995; Huddle, 1997; Robinson, 1998). Robinson (1998) argued that the region’s economic stagnation after 1982 as well as its declining income and depressing living standards resulted from the drainage of surplus from Latin America. He conceptualized the socioeconomic problems in Central and South America as a crisis of distribution. The poor are getting poorer while the rich get even richer. Poverty levels in the region increased during the 1980s and 1990s, with 60 million joining the ranks of the poor. For example, in Brazil, almost 48% of the nation’s 160 million inhabitants lived in poverty in 1990. Brazil is an especially important example because although it is the seventh most industrialized country in the world, the wealth is concentrated in the top 20% of the population (Robinson, 1998). Benedita Da Silva, a Brazilian Congresswoman, suggested that the majority of her country’s wealth is controlled by about 60,000 elites (Bezerra, 1996). Brazil is a system of polarized accumulation, which is due to rapid assimilation into the world-economy and a coerced convergence into the Western project.

Part 3

Globalization, Inequality, and Violence

The previous discussion of neoliberalism in the Americas illustrates aspects of both Wallerstein’s (1974) world-system theory and Giddens’s (1990) theory of globalization. The modern world is essentially organized vis-à-vis a capitalist world-economy that maintains and reproduces nation-state sovereignty. Nation-states, then, respond to challenges to the capitalist world-economy; thus, the relationship becomes reciprocal. The historical development of free trade in the Americas provides empirical support for these modernist theories. Moreover, it is clear that the practice of globalization creates vast income inequality and a myriad of related structural deficits. This is especially troubling from a criminological perspective because structural inequalities predict crime and violence (e.g., see Blau & Blau, 1982; Messner, 1989). The process of globalization and the ensuing inequality will produce social disorganization and violence. Therefore, another task of this article is to examine the literature that shows how globalization, inequality, and violence are related.

A basic tenet of neoliberalism is a reduced welfare state with regression of spending for social programs and public services. Yet a functional world-system requires a certain degree of social supervision by the nation-state. State surveillance may be accomplished through social welfare programs and criminal justice or police forces. When social welfare wanes in a country, then more domestic military or police are required to maintain social order for capitalism to work. Global capitalism has produced patterns of economic, political, and social inequality in every society in Latin America.
Harris (1997) reviewed several manifestations of this inequality. In addition to income inequality and poverty, spatial and social polarization in Latin American cities is on the rise. The very rich and the poorest of the poor live together in urban areas. The dislocations are further intensified by wage declines, downsizing in the private sector, the reduction of the public sector workforce, and the decline of public services and subsidies. Harris also called attention to the high rates of illiteracy and infant mortality in Latin America. Illiteracy is markedly high in rural areas of Latin America, and the infant mortality rate in Latin America is 6 times as great as that in advanced industrialized nations.

Last, Harris highlighted disparity in land holdings throughout Latin America. Throughout seven Latin American countries, 42% of the land is held by less than 1% of landowners (i.e., those with at least 1,000 hectares), whereas only 4% of the land is owned by landowners with 10 hectares or less. Thus, a very small percentage of landholders own a large percentage of real property. Moreover, through the commercialization of agriculture, global capitalism has displaced large numbers of small farmers and poor peasants from the land (Harris, 1997). Social problems exacerbated by globalization, such as poverty, joblessness, income inequality, dislocation, and disparate landholdings, have resulted in a buildup of the poor in urban areas throughout Latin America. Wilson (1990) documented a similar pattern of migration, social dislocation, and underclass formation in the United States. The result in the United States, just as it is proving to be in Latin America, was increased violence.

However, violence in Latin America is not an entirely modern social problem. One only need consider the bloody Portuguese and Spanish conquests and empire building in Central and South America during the 15th and 16th centuries (Wallerstein, 1976). The history of the region is permeated by violence. In fact, it is somewhat misleading to say that there is one single history for an area so vast and populous. Latin America includes 19 countries in the Caribbean, 13 in South America, 7 in Central America, and 1 in North America (Latin American Network Information Center, 2003). The area stretches from the Chilean extremities near Antarctica through the rain forests of the equator and to the arid desert of North America. It is an expanse with rich geographic and climatic diversity. Within Latin America reside almost a half billion human beings (Chasteen, 2001). The histories of each nation in Latin America are perhaps as unique as the various geographies of the area. Each modern country in the Caribbean and Latin America experienced unique historical events with distinctive bygone leaders.

However, certain themes are integral to the history of contemporary Latin America. Chasteen (2001) gave the following insight:

They experienced a similar process of European conquest and colonization. They became independent more or less at the same time. They have struggled with similar problems, in a series of similar ways. Since independence, other clearly defined political trends have washed over Latin America, giving its history a unified ebb and flow. (p. 18)

European conquest of the region now known as Latin America occurred during the early 16th century, with colonization following and dominating the subsequent 300 years. Independence occurred for most former colonies during the early 19th century. Later periods were characterized by themes of postcolonialism, nationalism, neocolonialism, and revolution.

Each of these Latin American epochs was replete with a unique set of atrocities and violence. As Rosenberg (1992) noted, “most of Latin America was conquered and colonized
through violence, setting up political and economic relationships based on power, not law” (p. 17). The European conquest of Latin America was most violent in the richest regions. So violence is nothing new to Latin American politics (Schneider, 2000). Today, Latin America is the most violent region in the world; its average homicide rate hovers around 20 per 100,000 inhabitants (Ayres, 1998). Moreover, five Latin American countries (i.e., Guatemala, El Salvador, Colombia, Jamaica, and Brazil) have the highest murder rates of all nations in the world (Huggins, 2000). The areas in Latin America that were considered unsuitable during conquest are now the least violent societies (Rosenberg, 1992).

Urban violence is a particularly salient problem in Brazil. In Rio de Janeiro, the rate of male homicide per 100,000 in the age range of 15 to 24 went from 149 in 1981 to 275 in 1995 (Amann & Baer, 2002). As Huggins (2000) reported, “to indicate the extent of violence in Brazil, in Sao Paulo alone (the largest city in South America), between 1984 and 1996 there were 69,700 homicides—over 10,000 more deaths than known U.S. casualties during the entire Vietnam War” (p. 113). The violence is still selective, and homicides are highest in the poorest areas of Brazil.

Although it might be tempting to attribute this social reality to the historical legacy of the region, modern neoliberal policies also contribute to contemporary violence in the area. The link between globalization and violence is the real “neoliberal crisis” (Aiyer, 2001). Violence has increased throughout Latin America because of an interaction between neoliberal policies and the consequences for human capital of such initiatives. For example, neoliberalism calls for global competition without state intervention. In developing nations, this allows transnational organizations to extract surplus labor from Latin America. Open markets allow for cheaper imports, depressing local economies. Fluctuating interest rates keep debtor nations dependent on transnational firms and core countries, such as the United States. Meanwhile, neoliberal policies cause displacement from the land, joblessness, migration to urban areas, social dislocation and isolation, greater income inequality, and increased poverty. These structural deficits lead to social disorganization and violence. The neoliberal crisis is reciprocal.

Two aspects of neoliberal modernity are particularly discouraging. First, globalization entails that economic expansion should be pursued at all costs. Aiyer (2001) discussed another troubling facet of globalization. Under neoliberalism, states are required to relinquish control of their economies. However, they are not expected to recede control in the maintenance of law and order.

Although social welfare programs in Latin American countries have been reduced under neoliberal policies, the coercive or social control (i.e., Giddens’s surveillance) functions of these states have increased. Police, paramilitary, and military forces were used during the transition to capitalist democracy in Latin America. Excellent scholarship (e.g., see Huggins, 1998; Huggins, Haritos-Fatouros, & Zimbardo, 2002) documents this process, establishing that violence was routinely used as a means of formal social control and state surveillance throughout Latin America and especially in Brazil. There is also something remarkable about the nature of state-sponsored violence. For example, according to Huggins (2000), “in 1992, in the greater metropolitan area of Sao Paulo alone, police killed 1,470 civilians—almost four times more than the total number of such killings during an entire span of 15 years in Brazil’s 21-year military dictatorship” (p. 116). Likewise, state-sponsored violence of this sort is now, more often than before, directed at the undesirable poor who make up the criminal underclass (Aiyer, 2001).
Huggins (2000) partially attributed the violence committed against the poor underclass in Brazil to globalization. In particular, neoliberal economic policies call for privatization of industry and services. Globalization of capital and new industries also concentrates real property in the hands of a small group of wealthy elites. Security and social control have been semiprivatized in Brazil. As Huggins (2000) observed, “the social control structure of formal police, ‘rent-a-cops,’ death squads, lone-wolf ‘justice-maker’ killers, and lynch mobs suggests a world no longer neatly divisible between public and private space and public and private property” (p. 121). Private security businesses now operate alongside police and death squads to protect the rich from the poor.

**Children of Modernity**

Poverty, violence, sexuality, and labor are aspects of the modern world-economy that are perhaps most problematic for children in developing places. Da Silva described the following scenario:

Imagine being a worker on $70 a month, living in one room with 4-5 children trying, at best, to give them breakfast and lunch. He doesn’t earn enough to give them supper. By going on the streets to find work these children are seen as abandoned. Abandoned by whom? By their parents? But their parents haven’t *really* abandoned them. They just don’t have what is needed to support them. (Bezerra, 1996)

Street children add to the ranks of the poor urban underclass in Latin American cities. Poverty is the main reason that children are forced onto the streets. The world-economy creates conditions of income inequality that (re)produce an intergenerational transmission of violence on a structural level. Children drain resources from poor families, but en masse, they form a cheap commodity at the macrolevel in the modern world-economy.

Scanlon, Tomkins, Lynch, and Scanlon (1998) reported that the number of street children ranges from 30 to 170 million worldwide. They also explained the street children phenomenon by referring to several of the socioeconomic factors previously discussed: land reform, population growth, drought, rural to urban migration, economic recession, unemployment, poverty, and violence. Moreover, children’s rights in developing countries are hampered by heavy external debt burdens. The United Nations Children’s Fund (2001b) observed that “these countries often spend significantly less on basic social services than they do to service external debt” (p. 1). When the debt burden and neoliberal antispending policies are taken together, the prospect for saving Latin American children from poverty remains improbable anytime in the near future.

Fass (2003) examined the problem of sexuality and children in the context of globalization. In Western cultures, the upper limits of childhood were extended during the 20th century to include the period known as adolescence. However, in other regions of the world, the adolescent stage of childhood is not recognized. In the periphery, children are often treated as adults much earlier than their counterparts are in core nations. As Fass (2003) predicted, “we can expect a continuing parade of sexually exploited children to become one of the signs of the problematics of globalization” (p. 973). The conflict over sexuality in childhood is only magnified as adolescence is sexualized through advertisements and popular Western culture. Globalization, thus, sends a mixed message from core to peripheral countries. On one hand,
childhood is protected and extended through adolescence; on the other, adolescence is
sexualized as an advertisement in the marketplace.

Violence is another aspect of life on the street that affects many children in Latin America. Ayres (1998) gave the following insight:

One estimate is that 6 million minors in the region are the object of severe maltreatment and 80,000 die each year as a result of injuries caused by their parents, relatives, or others. In Colombia, between 1991 and 1995, there were 112,000 homicides, of which 41,000 were of young people. (p. 4)

Yet the most shocking form of violence against children in Latin America came in the form of the mass murder of street children in Guatemala, Brazil, and Colombia.

Affluent businessmen and local politicians in Latin America hired police and death squads to eliminate street children and homeless adults during the 1980s and 1990s (Robinson, 1998). Security forces in Colombia executed homeless individuals in 1995 and sold their bodies to a private medical school for use as specimens by its students. The “Candelaria slaughter” in Brazil occurred in July 1993 when off-duty policemen retaliated against a group of street children for throwing stones at their police car. According to Csillag (1996), six boys died after the police opened fire on a group of 45 children asleep on the grounds of a church in Rio de Janeiro. Eventually, the men accused of this crime were arrested, prosecuted, and sentenced to prison in Brazil.

Child labor is another expression of structural violence in Latin America. Although the International Labor Organization (ILO) called for the effective abolition of child labor at the 1998 International Labor Conference, the issue of children’s work is still a problematic aspect of globalization (Fass, 2003; Valticos, 1998). According to the United Nation Children’s Fund (2001a), “at least 250 million children between the ages of 5 and 14 work for a living in developing countries” (p. 1). Fass (2003) suggested that globalization has created a dilemma for modernity regarding child labor. Child labor is profitable in the world-economy. However, international human rights organizations continue to expose the exploitation of children that horrify Western sensibilities. Schooling is one avenue of reconciliation that has been advanced. Organizations such as UNICEF and ILO promote education as the most effective solution to preventing child labor.

Confronting Globalization: Implications for Social Justice

In the short run, global capitalism has not brought about a better standard of living for the majority of the people in developing regions. It has created rising poverty, escalating violence, and derivative problems for the poor underclass throughout Latin America. As Nagler (1997) pointed out, neoliberal globalization spreads greed and exploitation vis-à-vis the world capitalist economy. Moreover, it induces structural violence in developing countries. Structural violence results from an unequal distribution of economic and political power, where one class benefits from this disparate system while another suffers (Galtung, 1996; Galtung & Hivik, 1971; Montiel & Wessells, 2001; Nagler, 1997). Much of the first and second parts of this article have dealt with theory and policy on a structural level of analysis. If the article were to end at this juncture, the reader might be left asking, “How does one influence these structural forces?” Indeed, the logic of both Wallerstein’s and Giddens’s arguments may seem to imply a deterministic outcome: Social structure is paramount to human
agency. Yet Giddens (1984), most assuredly, does not see human agency as secondary or
determined by social structure, quite the contrary actually. The key to confronting globalization
and the ensuing oppression and destruction might be found at the individual level of
analysis through Giddens’s (1984) work on structuration. Giddens did not propose
structuration as a solution to the crisis of neoliberalism or the structural inequalities of
modernity.

However, in his theory of structuration, Giddens (1984) conceptualizes social structure as
the outcome of routine human activities and notes the importance of ideas such as power and
social movements as mediums of emancipation. A complete and thorough review of
Giddens’s structuration is unnecessary for my purposes here and probably is beyond the
scope of this article. Yet a few basic remarks are in order. According to Giddens, human
agency and social structure are reciprocally related; they maintain a dialectical relationship
with one another. He suggested that “the structural properties of social systems are both
medium and outcome of the practices they recursively organize” (Giddens, 1984, p. 25).
Moreover, power, defined as the “capability to ‘make a difference’” is not a resource of social
systems; rather, power “presumes regularized relations of autonomy and dependence
between actors or collectivities in contexts of social interaction” (Giddens, 1984, p. 16). This
allows for the dialectic of control, “whereby those who are subordinate can influence the
activities of their superiors” (p. 16).

As Giddens (1984) noted, “power is the capacity to achieve outcomes. . . . Power is not, as
such, an obstacle to freedom or emancipation but is their very medium” (p. 257). Moreover,
Giddens suggested that the expansion of different forms of social organization (e.g., social
movements) might also serve as “a medium of emancipation from pre-established modes of
exploitative domination” (p. 206). Giddens defined social movements as “collective enter-
prises to establish a new order of life” (p. 204). Social movements are also self-regulating,
and they are also found in class-divided societies.

Indeed, social movements are the primary means of generating the political power neces-
sary for effecting change (Dewees & Klees, 1995). For instance, Nagler (1997) discussed
nongovernmental organizations in the business of peace intervention. Examples include
Peace Brigades International, the Gulf Peace Team, Witness for Peace, and Christian Peace-
maker Teams. Volunteers are recruited and trained before they are sent into the field to reduce
conflict. Nagler reported that these groups have succeeded in staving off violence in Guate-
mala and Nicaragua. This example illustrates Giddens’s (1984) notion that power must be
uncoupled from conflict: “Blood and fury, the heat of battle, direct confrontation of rival
camps—these are not necessarily the historical conjunctures in which the most far-reaching
effects of power are either felt or established” (p. 257). Social movements can wield power,
without conflict, to promote a new order of life that is free from economic oppression and
violence.

Other strategies for confronting structural violence include social globalism and social
development. The key problem for social globalism involves “how to replace the entrenched
market framework with a social-needs framework” (Fisk, 1999, p. 40). Solutions include
global labor rights, combating world hunger, environmental protections, sustainable de-
velopment, guaranteed health care, building interconnected national economies, democratiza-
tion, and protections against capital flight and devaluation (Fisk, 1999). Social globalism
develops from “an efflorescence of nongovernment organizations that are capable of pressur-
ing governments to stick to social priorities” (Fisk, 1999, p. 40). In Giddens’s terminology, social globalism develops from the power medium generated through social movements.

Likewise, social development must keep pace with economic expansion. Keigherm and Lowery (1998) called for protection of social capital and development of human capital. They also set forth the following innovative ideas for change: improve the buying power of all workers, deny bailouts without real reform, impose capital controls on U.S. corporations, and restore the social compact at home. Their ultimate goal is to reduce income inequality because the healthiest societies are the ones with the smallest income differences between the rich and the poor. When social development cannot keep up with economic expansion, inventive programs (e.g., the 1% solution) offer a partial solution (Gold, 2001). Although currently in the research phase, the 1% solution is a voluntary global tax, which will raise significant funding for communities experiencing cutbacks, downsizing, and elimination of social programs. This initiative is designed to facilitate the transition from a culture dominated by violence toward one of peace.

Social movements, social globalism, and social development are three broad approaches to dealing with the crisis of neoliberal globalization. Yet there are specific strategies from within the domain of criminology. Weiss (2000) gave the following direction:

The challenge of the new millennium is to create a critical culture. Hegemony is reification: regarding one another as objects to be manipulated; losing sight of what creates and institutionally sustains hierarchies of race, class, and gender; allowing institutions of our creation to work back against us. To wrest control of the economic and social forces that will shape the new millennium, we could begin by connecting global crisis to local upheavals, in acts of resistance and civil disobedience—at universities, work sites, retail business locations, city councils, national conventions—to protest neoliberal globalization’s assault on the environment and our physical and mental well-being as well as its reliance on slave labor and sweatshops. (pp. 13-14)

Critical criminology in Latin America is idiosyncratic because of the nonconventional nature of criminality in the region (del Olma, 1999). That is, state-sponsored violence, such as torture and kidnapping, is more visible in Central and South America than in North America. Thus, the study of human rights became the first priority for Latin America’s critical criminology. This did not parallel the evolution of critical criminology in the United States, where much of the discourse has centered around white-collar offending (e.g., see Reiman, 2004).

In addition to its critical perspective, criminology currently emphasizes the concept of community. If Latin America follows the U.S. experience in its integration into the world-economy, macrosociological theories of crime causation might prove useful to academicians and practitioners. Crime rates in the United States and abroad have been linked with a host of macrosocial phenomena, including poverty, racial heterogeneity, residential mobility, urbanization, family disruption, routine activities, disorder, inequality, and strain. If the convergence thesis is correct, it is reasonable to believe that these structural features will explain aggregate levels of crime in Latin America.

Moreover, the notion of community is integral to restorative justice. According to Miller and Schacter (2000), restorative justice is about fairness, equity, citizen engagement, accountability, reparation, forgiveness, inclusion, and healing or wellness. Restorative justice is an element of restorative governance. Governance involves the political, administrative, and economic authority a nation requires to manage its affairs. Restoration involves restoring a balance in the community.
The restorative model is perhaps criminology’s most promising solution to the neoliberal crisis. It implies that unbridled capitalism and the absolute rule of the market must stop. The world-economy must be subordinated to democracy. Democratic governments cannot exist primarily to ensure the smooth operation of global capitalism. Instrumentality must be tempered with substantive, affective, and traditional rationalities. The economic policies adopted in Latin America during the 1980s must be modified to include health care, education, social services, and justice decision making. Both individuals and communities throughout Latin America have been victimized by neoliberalism. The restorative model requires healing at the individual and community levels to achieve a balance between the economic and the social.

Furthermore, peacemaking criminology has applications in Latin America as well. At a cultural level, peacemaking criminology emphasizes the ethic of care over other virtues and certainly above any neoliberal economic imperative. Peacemaking criminology also acknowledges the connectedness of humanity through social structure and institutions. In fact, understanding structural violence is a chief goal of both engaged Buddhism and peacemaking criminology (Rothberg, 1997). This variation of criminology is entirely consistent with the human rights agenda advocated by the United Nations and nongovernmental organizations such as Peace Brigades International. At the individual level, peacemaking promotes mindfulness. Mindfulness incorporates multiple forms of rationality (i.e., traditional, affective, substantive, and instrumental) into the decision-making process. In other words, peacemaking criminology encourages individuals to think with their hearts as well as their minds. Unlike other paradigms in criminology, peacemaking emphasizes the spiritual well-being of individuals. For example, violence is one way to respond to poverty and inequality. However, peacemaking offers nonviolent options such as socially engaged spirituality, meditation, and social action.

Conclusion

The purpose of this article was to review, in the context of two well-known theories of modernity, the neoliberal economic policies and practices in Latin America as well as their broader implications for crime control and social justice. As Wallerstein (1976) noted, “man’s ability to participate intelligently in the evolution of his own system is dependent on his ability to perceive the whole” (p. 10). Much criminology in the United States today seems focused at the microsocial level of analysis; I, too, have been guilty of this tendency. As a scholar and a person of conscience, I wholeheartedly agree with Wallerstein (1976): “To the extent that we want a more egalitarian world and a more libertarian one, we must comprehend the conditions under which these states of being are realizable” (p. 10). This starts with an appreciation of the modern world-system. Understanding the conditions under which these states are incapable of being realized also should inform praxis. Our disciplines, criminology and criminal justice, need to be aware of how social relations are configured in the modern world by the nation-state system, the world capitalist economy, the world military order, and the international division of labor—in short, globalization. This awareness confers a power to ease oppression and address crime and suffering throughout our modern world-system.

Neoliberalism transcends the realm of the nation-state system. Globalization configures world relations for the benefit of the capitalist class at the expense of everyone else. Those interested in social justice must articulate a vision of modernity where the world capitalist
economy is attenuated. Otherwise, global capitalism will continue to spread throughout the world like a plague, assimilating cultures into the Western project and promulgating the U.S. consumer ideology of greed, monetary fetishism, and profiteering. Structural violence will also escalate, and the poor underclass, including children, will be the first victims of the neoliberal scourge. Ultimately, we may be left in the postmodern wasteland envisioned by Hardt and Negri (2000). Indeed, additional scholarship is needed to determine whether we have, in fact, “attained a level of civilization never before achieved” (Weber, 1930, p. 182). Suggestions for future research abound; for example, it might be prudent to reexamine neoliberalism in the periphery using Hardt and Negri’s model and perhaps incorporate the work of Habermas (1998, 2001) or the neo-Gramscians into this discourse on the consequences of modernity.

The long-term corollaries of neoliberal globalization loom large on the world horizon. Multinational corporations are presently transferring jobs from the United States and other core-states. As this occurs, unemployment and poverty will increase among the working and middle classes.

Workers in the United States and abroad still toil under the false consciousness of capitalism. And yet we are told that there is currently no alternative to global capitalism, but resistance is not futile. Educators and scholars must take an active role in disseminating information about the ill effects of globalization. Social movements offer a means of emancipation through harnessing the power involved in resource allocation. Peace movements offer a path of nonviolent enlightenment whereby humanity might reorganize, eschew the yoke of economic oppression in favor of a global vision of social justice, and perhaps supplant this modern world-system with a truly higher level of civilization.

References


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