

Major Powers versus Small Nations: Globalization and the Issue of National Sovereignty

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Global Research, October 11, 2012

Much to the chagrin of Washington and Tel Aviv, a recent meeting of the so-called Non-Aligned Movement, a group formed during the Cold War that views itself as independent of the major powers, sent a clear signal to the US-Israeli cabal that they are visibly annoyed at the United States and Israel for continuing to portray Iran as the world's foremost scapegoat. The meeting which took place in Tehran on August 26-31 proved to be a public relations coup for Iran in spite of UN Secretary General and American pawn Ban Ki-moon's attempt to hijack the meeting.

The NAM represents nearly two-thirds of the nations of the world, most of whom are small and poor. However, their membership does include four meganations which have populations in excess of 100 million – Bangladesh, India, Indonesia, and Nigeria.

The meeting in Tehran was a vivid reminder that we live in a meganation world under the cloud of Empire, the American Empire. Fifty-nine percent of the people on the planet now live in one of the eleven nations with a population of over one hundred million people. These meganations in descending order of population size include China, India, USA, Indonesia, Brazil, Pakistan, Nigeria, Bangladesh, Russia, Japan, and Mexico. Extending the argument one step farther, we note that twenty-five nations have populations in excess of 50 million and that seventy-three percent of us live in one of those countries.

Global Megaproblems

It's hard to imagine a more chaotic world than the world in which we find ourselves. The ongoing residual effects of the 2008 Wall Street meltdown, the current euro crisis, the alleged international threat of terrorism (albeit Western induced), American imperialism (full spectrum dominance and imperial overstretch), excessive population growth, extreme poverty, peak oil, and climate change are all evidence of a world that is totally out of control.

When Category 4 Hurricane Katrina slammed ashore a few miles east of New Orleans in 2005 with all of its fury, the devastation was almost beyond belief. Neither the New Orleans mayor, the Louisiana governor, nor the president of the United States seemed to have a clue as to how to deal with the crisis. Tens of thousands of New Orleanians behaved as though they were experimental mice on an electric floor after experiencing learned helplessness from repeated shocks, waiting to be rescued by the City or the State, not knowing that the mayor and the governor had both abdicated their responsibility for emergency assistance to the federal government. There was widespread looting as well as fires, explosions, gunshots, murders, rapes, and robberies. By the time the cavalry finally arrived five days later, it was too little, too late. All of this in the richest, most powerful

nation in the world. The story of Katrina was the story of too many people being crammed into too little space, who were too dependent on an ill-conceived flood control system and an impotent, unsustainable government which had lost its moral authority.

Neither its \$5.4 trillion economy, its state-of-the-art technology, nor its military like efficiency could protect Japan from the catastrophic consequences of the March 11, 2011 earthquake, tsunami, and nuclear disaster. To be quite blunt, when you try to squeeze 127 million people into one large island and a group of smaller ones, all prone to earthquakes, you have few degrees of freedom when disaster strikes. It's all about human scale. The recent widespread electric power blackouts in India were examples of more of the same.

In the prescient words of Leopold Kohr in his 1957 book *Breakdown of Nations*, "There seems only one cause behind all forms of social misery: bigness. Whenever something is wrong, something is too big."

Failed International Megainstitutions

Since the end of World War II a plethora of international megainstitutions have evolved to deal with such issues as national security, peacekeeping, international finance, economic development, and international trade. They include the United Nations, the World Trade Organization, the World Bank, the International Monetary Fund, the European Union, and NATO. The track record of these megainstitutions has proven to be singularly unimpressive.

That the 192-member United Nations, which is dominated by the United States, Russia, and China, each of which has veto power in the Security Council, has been so ineffective since its inception in 1945, is hardly surprising. Nothing illustrates this better than the U.N. sponsored conferences on climate change in Kyoto in 1997 and Copenhagen in 2009. Trying to come up with solutions to a problem as complex as climate change by assembling 178 heads of state, as was the case in Kyoto, or 193 in Copenhagen, is truly an exercise in futility. The product of the 12-day Copenhagen conference was a nonbinding agreement in which no one was committed to anything. The so-called Copenhagen agreement was a complete sham. The process was replicated in Cancun, Mexico in 2010 with similar results.

How many wars has the U.N. prevented? Certainly none in Korea, Vietnam, Cambodia, Iraq, Yugoslavia, Afghanistan, Palestine, or Africa. Global political problems are too complex for an assembly of two hundred international political leaders to sort out in a public forum. This is even more true if China and the United States refuse to budge from their positions of national self-interest. Some have cynically suggested that the U.N. is little more than an extension of the U.S. State Department.

The U.S. Treasury, Federal Reserve Bank, International Monetary Fund, World Bank, and World Trade Organization are all committed to transforming the world economy into a giant global growth machine regulated by an international gambling casino in which resource allocation decisions are driven by a high-speed, multinational, high-tech crap shoot. Satellite communications, fiber optics, and the Internet make it possible to transform small, manageable local problems into unmanageable global problems overnight.

Since globalization is often achieved through coercion, intimidation, exploitation, collectivism, monopoly, and American military might; local cultures, local values, local communities and local environmental concerns often receive short shrift.

Transnational megacompanies not only tell so called emerging market countries (most of the world) what they will produce, how it will be produced, when it will be sold, and at what price, but they also influence local working conditions, wages, benefits, and labor laws. They often dictate local government monetary, fiscal, trade, and banking policies. International money managers decide which foreign currencies are overvalued and which are not, as well as which countries should be punished for not playing by their arbitrary, self-serving rules. This is truly a one-size-fits-all game.

President Bill Clinton called for a New Global Financial Architecture. But what he proposed was nothing new at all - more trade, more budget cuts, more privatization, more foreign investment, more megamergers, more computer networks, less government control, lower interest rates, more IMF bailouts, and, as always, more economic growth. He wanted everything to be bigger, more complex, more high-tech, and more interdependent - bigger markets, bigger trade agreements, bigger loans, bigger bailouts, bigger banks and financial institutions, and bigger telecommunication networks. Our government's cryptic message to the rest of the world is, "Just be like us." One-size-fits-all!

Economists justify globalization on the basis of the so called "trickle down effect," in which the benefits of global trade to the superwealthy eventually trickle down to the poor. But half of the world's population lives on less than \$2 per day, and many of these people have no access to clean water, electricity, or sanitation. World Bank figures suggest that the trickle down effect has not worked so well. In 1987, 1.2 billion people in the world were trying to survive on \$1 a day. Now over 1.5 billion are trying to do so.

Another large, ill-conceived, international organization which is too big to fix is the 28-nation European Union with its common currency, the euro, shared by 17 of its member nations. The euro is being kept afloat by a series of lies, leaks, rumors, and smoke-and-mirrors dances. Financial markets are pumped up by the expectations of the next meeting of the ECB, the European finance ministers, or German Chancellor Angela Merkel with either her French or Italian counterpart. Each meeting holds out the hope of a silver bullet fix for the euro. Most have turned out to be nonevents.

When the euro was first introduced in 1999 it was supposed to unite Europe, promote federalism, and lead to collective economic prosperity. As the euro faces the real possibility of complete collapse, it seems to be pulling Europe further apart. An increasing number of political leaders in the EU are now calling for the break up of the \$17 trillion political and economic union with a population of nearly 500 million.

NATO is a Cold War anachronism which has been unable to find a new mission to justify its post Cold War existence. Thus far its primary aim seems to be to antagonize Russia by enticing former Soviet Republics into its ranks and thus surrounding the Russian Bear with what it perceives to be a hostile force. More recently NATO has diversified its portfolio to include the war on terror, e.g., its foray into Libya in 2011.

Small Nations

I believe it is high time for the smaller nations of the world to begin withdrawing from the United Nations, the World Trade Organization, the World Bank, the IMF, the European Union, and NATO. These international megainstitutions are morally, intellectually, politically, and spiritually bankrupt. It is time for the smaller nations to confront the meganations of the

world and say, “Enough is enough. We refuse to continue condoning your plundering the planet in pursuit of resources and markets to quench your insatiable appetite for consumer goods and services.” These small nations should call for the nonviolent breakup of the United States, China, Russia, Japan, India, and the other meganations of the world.

A small group of peaceful, sustainable, cooperative, democratic, egalitarian, ecofriendly nations might lead the way. Such a group might include Denmark, Finland, Norway, Sweden, and Switzerland.

What these five European nations have in common is that they are tiny, very affluent, nonviolent, democratic, and socially responsible. They also have a high degree of environmental integrity and a strong sense of community. Although Denmark and Norway are members of NATO, Finland, Sweden, and Switzerland are neutral. Once considered classical European democratic socialist states, the four Nordic states in the group have become much more market-oriented in recent years. Not only is Switzerland the wealthiest of the lot, but it is the most market-oriented country in the world, with the weakest central government, the most decentralized social welfare system, and a long tradition of direct democracy. What’s more, all of these countries work, and they work very well. Compared to the United States they have fewer big cities, less traffic congestion, less pollution, less poverty, less crime, less drug abuse, and fewer social welfare problems.

An interesting special case is the tiny Alpine Principality of Liechtenstein which has the highest gross domestic product per person in the world when adjusted by purchasing power parity (over \$140,000 per capita), the world’s lowest external debt, and the second lowest unemployment rate in the world (recently as low as 1.5 percent), and a population of only 35,000 spread over 62 square miles. Organized as a constitutional monarchy with an enlightened Reigning Prince by the name of Hans-Adam II, Liechtenstein is best known as a tax haven and home to 73,700 corporations worldwide.

Three other small countries which might also join the party are environmentally friendly Costa Rica, which has no army, ecovillage pioneer Senegal, and the Himalayan kingdom of Bhutan. Since 1972 the king of Bhutan has been trying to make Gross National Happiness the national priority rather than Gross National Product. Although still a work-in-progress, policies instituted by the king are aimed at ensuring that prosperity is shared across society and that it is balanced against preserving cultural traditions, protecting the environment, and maintaining a responsive government.

As Austrian economist Leopold Kohr said in *The Breakdown of Nations*, “A small-state world would not only solve the problems of social brutality and war; it would solve the problems of oppression and tyranny. It would solve all problems arising from power.”

Aspiring Small Nations

Today there are self-determination movements in over two dozen countries. Notwithstanding the European unification movement, during the last half-century separatist movements have become much more important and widespread than unification schemes. For example, there are now nearly two hundred independent nations in the world, over four times the number that existed after World War II. The implosion of the Soviet Union and the breakup of Yugoslavia are two of the most important examples of this tendency, but many more have occurred and more are on the way.

We are witnessing the dismemberment and crumbling of the multi-ethnic empires all over the world – the Soviet Union, Yugoslavia, India, Indonesia, and potentially China. The Soviet Union split into fifteen independent republics, many of which have their own independence movements. Czechoslovakia peacefully divided itself into the Czech and Slovak republics. Bosnia-Herzegovina, Croatia, Kosovo, Macedonia, Serbia-Montenegro, and Slovenia have all become independent nations as a result of the dissolution of Yugoslavia. Throughout Europe there are dozens of other self-determination movements in such places as Belgium, Bulgaria, Britain, Italy, Lapland, Poland, Romania, Scotland, and Spain. The Basque region of Spain is but one of eleven Spanish regions calling for more autonomy, and both Catalonia and Valencia also have full-fledged separatist movements.

One of the most divisive countries in Europe is Belgium which went 535 days without a properly elected leader because of the toxicity in the relationship between the wealthier Dutch-speaking majority and poorer French-speaking minority. It was not until after Standard & Poor's downgraded the country's credit rating that Belgian politicians finally formed a coalition government in response to pressure from international financial markets.

In Africa, hundreds of tribes are trying to shake off artificial boundaries imposed on them by nineteenth-century European colonialism. For example, Sudan recently split into two parts.

Even though self-determination is forbidden by the Indian constitution, the country is literally awash with separatist movements. Although Kashmir has the best known such movement in India, Sikkim and most of the states in Northeast India have active separatist groups. These include Assam, Bodoland, Tripura, Arunachal Pradesh, and Nagaland. These states are not contiguous with the rest of India. Then there is also Khalistan, a global political self-determination group to create a separate Sikh state.

After a near-miss in its 1995 referendum to achieve independence from Canada, the Quebec separatist movement fell into the doldrums for over 15 years. However, in September 2012 the Parti Québécois won a victory of sorts in the Quebec provincial election and was able to put together a weak coalition government. The stability of the new government remains somewhat in doubt. In 1998 the Canadian Supreme Court issued a ruling declaring self-determination to be constitutional and outlining the necessary steps which must be taken by a province to split from the Confederation. There are also self-determination movements in Alberta and British Columbia.

A Community of Small Nations

What is called for is nothing less than the radicalization of the small, nonviolent, sustainable, socially responsible countries of the world. Countries like Bhutan, Costa Rica, Denmark, Finland, Norway, Sweden, and Switzerland must face up to the fact that they share nothing in common with meganations such as the United States, China, Russia, and India. They should not only stop sucking up to them but they should avoid emulating them at all cost.

The small enlightened nations of the world should begin organizing themselves into what might be called the Small Nations' Alliance (SNA) to encourage (1) the nonviolent breakup of meganations such as the United States, China, Russia, and India; (2) the peaceful coexistence of a community of small, sustainable, cooperative, democratic, socially responsible, egalitarian, nonviolent, ecofriendly nations; and (3) the independence of small breakaway states such as Quebec, Scotland, Tibet, and Vermont.

One thing is for sure, if there are to be any solutions to global megaproblems such as poverty, peak oil and climate change, they will not originate with either the United States, China, or Russia, each of which is obsessed with protecting its own respective self interest. So long as New York, London, and Tokyo maintain hammerlock control over international financial markets, international finance and banking reform will remain an illusive fantasy. What the world could use effectively is a dozen or so financial centers, not just three megacenters.

We do not envision the SNA as an international governing body with the power to impose its collective will on others. Rather we see it as a role model encouraging others to decentralize, downsize, localize, demilitarize, simplify, and humanize their lives. Membership in the SNA will be open to those nations who subscribe to the principles of the SNA and are approved for membership by a consensus of SNA members. The only mechanism available for enforcing policies endorsed by the SNA would be expulsion from the organization for noncompliance.

The defining issue in today's world is human scale. The hour is very late. The small nations of the world have sat silently on the sidelines for all too long allowing the world's meganations to set the global agenda. It is indeed high time they rebel against the meganations, take control of their destiny, and demand a place at the table. The future of the planet depends on it.

Finally, in the words of French rebel Albert Camus, "It is those who know how to rebel at the appropriate moment, against history who really advance its interests."

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