

Policy of Globalization and Globalization of Policy

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The New Economy is here. Yet not too many individuals in the Islands know this. As a society, we are stuck doing things the old way even though the halcyon days of a tourism-based economy are over. The New Economy is an integral part of the thing called “globalization” that some think cannot be pinpointed or even shown as real. After all, Hawai‘i has been the object of international influence at least since Captain Cook’s arrival in 1778. Perhaps from this view, there is nothing new about “globalization” or, by extension, this New Economy. The above represents the general outlook about the global processes that the Islands have been going through.

However, policy makers and many people agree that business as usual is no option, especially when Hawai‘i’s economy has been in the doldrums since 1990. Virtually no economic growth occurred between 1990 and 1995. The Gross State Product (GSP) grew at a compound annual rate of 0.3 percent. The growth rate was 0.9 and 1.5 percent in 1996 and 1997 respectively; it moved up to 2.2 percent in 1998 and 2.5 percent in 1999. The growth rate for 2000 is expected to reach 3 percent at a time when the national Gross Domestic Product (GDP) has averaged 4 percent (BOH 1999:6-7).

As tourism plummeted in the early 1990s, calls for creating a high-technology sector grew louder, and discussions about diversification became more prevalent. All these activities extolled the virtues of diversification and its purported benefits to Hawai‘i’s people. All that is required, from this view, is a state government dedicated to taking the lead in creating a political and social climate empowering private initiatives to transform the Islands into a new (post)modernity. The object of the government is then to devise public policies for the New Economy to take off and the Islands to “catch up” with the rest of the United States and other successful countries.

The integral relationship between public policy and “globalization,” as a structural change in the organization of capital, is therefore quite obvious. It is merely another way of stating the relationship between the two components of the term “political economy.” A question arises: What public policies should Hawai‘i devise for it to at least derive some benefits from “globalization?” At first, the question seems straightforward and non-problematical. Further investigation, however, proves this not to be the case. As shall be shown later, a political economy approach could help to disentangle and decipher the web of values laden in this question.

However, it is important first to put a handle on what “globalization” might mean and whether it is a novel development in the life cycle of capitalism. Such a discussion would better equip us to demystify the New Economy. This approach would allow us also to examine the nature of public policy as it relates to the New Economy.

Globalization

The process of globalization involves the transnationalization of production and capital, which gives rise to global trade (Burbach and Robinson 1999). This transformation from

international to transnational capital and production signifies an “epochal shift” in capitalism, the groundwork for which had begun after World War II (ibid.). In an earlier epoch, national capital in the dominant countries penetrated world markets with the help of the national states in the country of origin. United States hegemony after World War II created the conditions for national capital and corporations to interpenetrate various countries and world regions. Multinational corporations (MNCs) in the core countries dominated world production and trade (Barnet and Mueller 1974).

The revolution in high technology organized around the microchip and the computer intensified the process so much so that this “epochal shift” to “globalization” has penetrated almost every corner of the earth. In retrospect, the age of the multinational corporations may be regarded as a transitional phase in this process. We are now in the age of transnational corporations (TNCs) in which production is decentralized across the globe but concentrated in those corporations. Furthermore, finance is transnationalized through foreign direct investment (FDI) and foreign portfolio equity investment (FPEI). The difference between FDI and FPEI is that in the former, investors exercise direct management control over operations while in the latter, they are mainly interested in realizing a good return on investment. FPEI capital flows are invariably undertaken by several investors across the globe. These activities are central to “the dramatic and growing integration of world capital markets through the commodification of financial instruments” (Burbach and Robinson 1999:21).

The integration of production, capital, and commodity markets on a world scale has given rise to two critical and directly related phenomena: (1) a developing transnational capitalist class (TCC); and (2) a transnational state apparatus in the making (Robinson and Harris 2000). In this case, and if an international capitalist class (ICC) and nation-states still exist, it is important to explore the relationship between these new phenomena and old capitalist formations.

However, it is instructive to note that each “epochal shift” in capitalism produced a corresponding shift in class structure. In the stage of national capitalism, a national capitalist class and a national working class existed. In the age of the multinational corporations, a full-fledged international capitalist class and an international working class existed. Under “globalization,” we now have a transnational capitalist class and a transnational working class.

The nation-state is no longer the organizing principle of capitalism and the institutional “container” of class development and social life [...]. Global class formation has involved the accelerated division of the world into a global bourgeoisie and a global proletariat, and has brought changes in the relationship between dominant and subordinate classes, with consequent implications as well for world politics (Robinson and Harris 2000:17).

To explore the relationship between internationalism and transnationalism, it is essential to note that global capitalism, “globalization,” is not the aggregate of the national economies. The movement of commodities and finance across national borders is identified with internationalization (Robinson and Harris 2000:18). Transnationalization, on the other hand, is identified with the “globalization” of production, i.e., production that is decentralized (across the globe) and concentrated in the transnational corporations. Concomitant with transnational production is the transnationalization of finance and the

global commodity market. All these activities are controlled by a transnational capitalist class, a reality that renders transnationalization different from internationalization. At this point, we can delete the quotation marks that encompass globalization since we can safely assume that it is a reality.

Transnationalism and the Nation-State

What then is the relationship between the two phenomena integral to globalization (a developing transnational capitalist class and a transnational state apparatus) and the two corresponding phenomena of international capitalism (an international capitalist class and its concomitant international working class; and the nation-state)?

It is obvious that nation-states still exist and constantly interact with global financial and trade organizations such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO). It stands to reason then that nation-states are still relevant in a globalized world. Ellen Meiksins Wood (1997:12) argues this point. Burbach and Robinson (1999) and Robinson and Harris (2000) concur with Wood. But their agreement stops there. Wood contends that,

It isn't just that nation-states have stubbornly held on through the universalization of capitalism. If anything, the universalization of capitalism has also meant, or at least been accompanied by, the universalization of the nation-state. Global capitalism is more than ever a global system of national states, and the universalization of capitalism is presided over by nation-states, especially one hegemonic superpower (Wood 1999:12).

As seen earlier, Robinson and Harris (2000:18) disagree with the characterization of global capitalism as “a global system of national states.” Burbach and Robinson (1999:36) maintain that “global capitalism is organized in a set of institutions,” including transnational corporations, the IMF, the World Bank, and the WTO. Robinson and Harris (2000) also agree that these institutions, except for transnational corporations, are part of a transnational state apparatus in the making.

Wood's description that “we still have national economies, national states, nationally based capital, even nationally based transnationals [...] that international agencies of capital [...] are above all agents of specific national capitals, and derive whatever powers of enforcement they have from national states” (1999:8) is true on the level of phenomena. But it does not follow that a qualitative shift has not occurred in the function of the state apparatus.

To understand how nation-states can continue to exist under an emerging transnational state apparatus, it is important to discuss the development of the capitalist class in a globalized world. Wood's analysis is devoid of any discussion relating to the development of this capitalist class.

Robinson and Harris argue that the transnational capitalist class “is the segment of the world bourgeoisie that represents transnational capital. The old international alliance of national bourgeoisies has mutated into a transnational bourgeoisie in the new epoch, and this transnational bourgeoisie has become the hegemonic class fraction globally” (2000:22). To determine this new class formation, one has to look at both the structural and subjective (agency) levels of analysis. Classes are determined on the basis of

production relations, which, in this instance, the global economy defines. The transnational capitalist class dominates in the ownership or control of both the productive forces and transnational capital.

Furthermore, the transnational capitalist class pushes the globalization process ahead as a consequence of being conscious of its interests as the dominant capitalist fraction. Given its dominance, the transnational capitalist class has developed global financial, trade, and military institutions to better serve the interests of transnational capital. As an example, the General Agreement on Tariffs and Trade (GATT) was transformed into the World Trade Organization. Burbach and Robinson also contend that the United Nations (UN) and the North Atlantic Treaty Organization (NATO) have developed to better serve the interests of the transnational bourgeoisie (1999:36).

The slow building of a transnational state (TNS) apparatus by the transnational capitalist class demonstrates that it is conscious of the importance of building a power center in which it remains dominant as the ruling class. “This TNS apparatus is an emerging network that comprises transformed and externally integrated national states, together with supra-national economic and political forums; it has not yet acquired any centralized institutional form” (Robinson and Harris 2000:27). In other words, the transnational capitalist class and its transnational state are still in a transitional phase to supplant the international capitalist class and the nation-state.

The nation-state at this point is a site for power struggles between the international capitalist class and the transnational capitalist class. Given the developments occurring in the global economy from the revolution in science and technology, it becomes apparent that the material basis of the international capitalist class is eroding rather quickly. Finance capital is becoming increasingly “deterritorialized” (ibid.:24); production is becoming increasingly decentralized and concentrated; and the transnational capitalist class is challenging the international capitalist class in its own power center, the nation-state.

Clearly, the nation-state’s function has thus changed to accommodate the needs of the transnational capitalist class fraction. The weakness in Wood’s analysis resides in this: not much attention is paid to the reality that even though nation-states still exist, the international capitalist class is a descending fraction while the transnational capitalist class ascends. Consequently, the nation-state works increasingly in the service of globalization at the expense of the international capitalist class.

Capitalists, Political Power and the Transnational Working Class

Another important consideration in class formation in the new epoch of globalization is the rise of the transnational working class. Robinson and Harris (2000:22-23) allude to a worldwide proletariat in the making, which, unlike the transnational capitalist class, is not yet conscious of itself as a class. One could see, for instance, divisions among the workers on the basis of nationality, ethnicity, race, and gender. The workers furthermore have been thoroughly socialized in the culture of capitalism, which emphasizes individualism, competition, and the profit motive. In a way, this reality is convenient to the capitalist class as a whole: it keeps the workers divided and unaware of their common interests *vis-à-vis* the capitalists. However, this ignorance on the part of the workers

could play in the hands of the international capitalist class and the ideologues of a defunct national capitalism (such as Pat Buchanan) in their fight against the transnational capitalist class. The opposition by Buchanan to the North American Free Trade Agreement (NAFTA) is a case in point. NAFTA is crucial to global capitalism. It has opened borders to the free flow of goods and facilitated the movement of production plants to Mexico, where labor power is much cheaper than it is in the United States. NAFTA has been a boon to the transnational corporations and to transnational capital, which also can move freely across borders.

It is important to note that the United States' labor movement represented by the AFL-CIO has been against NAFTA since it was implemented in 1994. In fact, the labor movement testified against NAFTA before it was ratified. The opposition to NAFTA was not one against capitalism by a revolutionary AFL-CIO. Instead, it was conducted to prevent further erosion in the membership of the labor movement. The AFL-CIO found allies in the international capitalist class of the United States.

The above example also demonstrates that the state apparatus is, indeed, a major site of struggle between the two general fractions of the capitalist class. This struggle will intensify if the wave of globalization roars unabated. In this case, the descending fraction of the international capitalist class fights tooth and nail for control and it seeks a power base in the labor movement. At a time when the infrastructure of national and international economies are overrun by the transnational corporations in their race to consolidate and expand the infrastructure supports of globalization, alliances between a waning capitalist fraction and workers become politically dangerous for both the transnational capitalist class and for revolutionary social movements.

The danger of political reactions (abridgement of freedoms or a full-fledged police states) could also come from the transnational capitalist class itself, oddly enough, with support from the international capitalist class. A plausible scenario might be the occurrence of events in which unemployed and poor workers take to the streets to protest their living conditions similar to the Los Angeles rebellion of April 1992. Under these circumstances, calls by the capitalist class for "law and order" could become vociferous and legislation could be introduced on the federal level to strengthen the hand of the capitalists against a rising tide of opposition.

It is significant to recall that the recent history of the United States is a further indication that the capitalist class is not beyond instituting coercive measures to reign in the unemployed and the poor working class. One need only to recall the House Un-American Activities Committee of the 1950s, and more recently, the Racketeer Influenced and Corrupt Organizations (RICO) laws, ostensibly designed to combat organized crime but applied in cases involving labor. The list of measures could be easily expanded to include anti-immigrant measures already implemented. Immigrants have been detained without charges being leveled against them and their lawyers were not given access to the "secret evidence" on which the Immigration and Naturalization Service presumably acted (Washington Post 2000).

The conditions of unemployed workers in the United States have changed structurally. In the 1950s, for instance, unemployed workers could find work rather quickly. In the age of globalization, however, those workers have a harder time finding work and when they do, most often it is for a lower wage or part-time. It is logical that in the age of high technology, the structure of the labor force has changed dramatically to

include a permanent army of unemployed and underemployed people. The number of this army is growing, and its members often have to face the state apparatus in their fight for their own interests (Peery 1993).

While Wood (1997:17) talks about workers fighting at the local level and Burbach and Robinson (1999:37) talk about the important role of the “popular classes around the world” in the fight against capitalism, neither discuss the possible emergence of a new lower class or working class fraction that confronts the state each time it struggles in its own interests.

What needs to be discussed are the effects of the high-technology revolution on the working class and the way in which the revolution in production displaces workers (and managers) with robots and computers. Rifkin (1995), argues that point. A growing segment of the population in the United States, for instance, is underemployed, employed part-time, or unemployed. The bulk of this new class is formed from the blue- and white-collar working class. It is also formed from professionals, small capitalists, and other members of the middle class.

A study of the relationship between this new class and the state apparatus could reveal much about the nature of the capitalist state in the era of globalization (Peery 1993). In this manner, our understanding of globalization could develop to become less abstract. But this analysis cannot be undertaken without also looking at the relationship of the capitalist class to the state apparatus as well as the relationship of these classes to one another. These complex relationships are best discerned by an examination of public policy, which reflects the shift in the function of the state apparatus in the era of globalization.

The transnational capitalist class has been implementing its policy of globalization (open borders for production, capital investment, and trade), and concurrently utilizing the state apparatus to globalize national policy. In other words, the transnational capitalist class has been trying, quite successfully, to mesh national policy with globalization.

Regulation Theory and Capitalist Development

One of the most prominent theories that attempt to analyze the changing structures of capitalism is Regulation Theory (RT), a product of France in the mid-1970s. RT attempts to comprehend the relationship between capitalist accumulation on the one hand and the distribution of the social surplus between workers and capitalists, on the other. Two concepts indicate the focus of RT, the Regime of Accumulation (RoA) and the Mode of Regulation (MoR) (Mavroudeas 1999:313).

To examine public policy via RT the focus would be on the way in which “[t]he MoR designates the necessary institutional forms and social compromises for the reproduction of the RoA” (Mavroudeas 1999:313). The RoA constitutes the laws and institutions required to carry out accumulation of capital. However, an examination of public policy requires an understanding of the state’s relationship to the various classes trying to influence decisions, especially in a crisis situation. In this regard, RT is deficient because it lacks: (1) a coherent theory of the state; (2) a coherent theory of crisis; and (3)

a coherent theory of international relations and the relationship between the national and international dimensions (ibid.:334-35).

These problems of RT are closely associated or even derived from the essence of RT as a middle-range theory based on empirical observations about inter-war and post-war periods. The “middle-range” nature of RT helps explain its deficiencies and the reasons why it has no general theory of the longer historical development of capitalism despite its periodization of capitalism since its inception. Mavroudeas (1999) demonstrates this point. One of the periods of capitalism that RT identifies is post-Fordism. Presumably that occurred in the 1970s, when Fordism (assembly line mass production and consumption) entered a crisis and post-Fordism (associated with flexible production, the service economy, and the information age) began to displace it. Under post-Fordism, “[t]he forces of production are no longer mediated by the material means of production but constitute issues of discourse and communication between management and workers” (ibid.:319).

The postmodernist influences on RT and its close association with post-Fordism (Lash 1990) render the RoA a “regime of signification” where cultural influences rather than economic relations of production are in the saddle. RT becomes eclectic and therefore incoherent and bordering on the chaotic as it attempts to resolve material issues whose understanding requires a coherent general theory. Having placed itself in the corner of middle-range theory, RT is incapable of bridging the gap between intermediate concepts (such as RoA and MoR) and a general theory (such as historical materialism). Given these serious shortcomings, it is not productive to employ RT in the study of capitalist development in the age of globalization. Instead, it would be very useful to utilize examples of actual capitalist developments to better understand globalization.

The Hawai‘i Experience

Hawai‘i makes an interesting concrete example of the globalization of public policy. Such a study can help determine whether the nature of the state apparatus has shifted, or is shifting, in this new capitalist epoch. Ostensibly, attempts at globalization of policy are a consequence of the crisis the Islands experienced since the early 1990s. Since then, public policy has pursued a goal of playing catch-up with the global economy. Policy makers in both the public and private sector want the state to be an active participant in the New Economy rather than become (or remain) a victim of globalization. The main way to do that, therefore, is to “kick-start” the economy.

The manner in which the ruling circles in the state depict the problem and its solution is rather illuminating. It betrays a historicist understanding of social development, wherein solutions become essentially technical in nature and emanate from a capitalist world view, which, in Hawai‘i’s case, is responsible for the disaster that has befallen the indigenous Hawaiians (Kelly 1994). More recently, this perspective has been the source of economic and social ills in the Islands as it has in the rest of the planet (Aoudé 1998; Kent 1999).

Perhaps a clear statement about what the state should do and has done to become an active participant in globalization (and the New Economy) has come from Seiji Naya, director of the Hawai‘i Department of Business, Economic Development and Tourism

(DBEDT). According to Naya, in the past several years, the Islands took bold steps to begin changing economic structures to move from a tourist-based economy to the New Economy. The state apparatus (the Executive Branch and the Legislature), business (small and big), and consumers work together to diversify the economy. The state's comparative advantage in areas such as biotechnology, information technology, communication services, health services, and medical research allows the state apparatus and business to direct economic development into those growth markets (Naya 2000:B4). A series of public policy initiatives were taken in support of this new direction in economic development, including deregulation, tax cuts for business, and an increase in the budget of the Hawai'i Tourism Authority's marketing budget (*ibid.*). Other initiatives included: (1) the Convention Center, which effected some diversification in tourism; (2) tax and other incentives for research and technology companies; (3) a special adviser for technology development to facilitate partnership between business and government for high-technology growth; (4) autonomy for the University of Hawai'i so it could pursue efforts in high-technology research and computer education; and (5) a work force initiative to ensure the availability and training of high-skilled workers for jobs in the New Economy (*ibid.*).

It is clear that cooperation between the private and public sectors to diversify the economy has intensified. The state apparatus, especially governor Cayetano, has held the line against wage and other demands by the public sector unions. The state's claim that it cannot afford funding those demands is in part due to the loss of revenues experienced because of the tax break package it has granted to the business sector. The state's commitment to fund initiatives that help business (such as those mentioned above), also do not allow Cayetano to meet the demands of public sector unions.

Business in the New Economy requires all the flexibility that it can muster to become competitive. It also needs new opportunities opened to it. The state apparatus plays a major part in this endeavor. First, it expends funds on infrastructure support, including the training of workers, an undertaking that private enterprise says it can ill afford. Second, privatization of public sector functions would create new opportunities for business to make a profit. Third, as a consequence, fewer public sector jobs would remain and public funds would go towards additional support for business.

As shown earlier, the state apparatus has already implemented several initiatives along the lines described above, well on its way to responding further to the demands of business at the expense of public sector workers. Furthermore, erosion of wages and benefits in the public sector would ease the high-wage pressure on business.

The Hawai'i example provides incontrovertible evidence of the state apparatus changing its function to become more responsive to globalization. In fact, as the last gubernatorial as well as the 2000 elections have demonstrated, the Democratic and Republican parties compete over who can serve business interests better to bring private enterprise in line with the requirements of the global economy.

Is the capitalist class in the Islands transnational? Given that the Hawaiian economy has always been under the control of outside forces and that overseas (including continental United States) investment built the tourism-based economy (Aoudé 1998; Kent 1993), it is apparent that the capitalist class was once part of the international capitalist class. But in the context of a globalized world and in the absence of a self-sufficient economy, the capitalist class at this point is transnational. In fact, much of

small business clamors to participate more in the global economy. For the capitalists in the Islands, there is no other option, as the globalization of policy clearly demonstrates.

Transnationalism Divided

Our discussion thus far appears to depict globalization as unstoppable and inevitable. However, George Soros, for instance, believes that the capitalist system “is deeply flawed. As long as capitalism remains triumphant, the pursuit of money overrides all other social considerations. Economic and political arrangements are out of kilter” (1998:102). Discussing the “Global Financial Crisis” that began in Thailand in July of 1997, Soros contends, “that the global crisis is caused by pathologies inherent in the global financial system itself” (ibid.:137-38).

As an international financier, Soros, belongs to the transnational capitalist class. He is also aware of the fragile nature of the capitalist system and attributes that primarily to the global financial system, which he believes is in dire need of reform.

The transnational capitalist class bloc is comprised of three main groups: free market conservatives, structuralists, and regulationists. In spite of the “Washington Consensus” of the early 1980s, an agreement on a neoliberal agenda, which seeks to restructure capitalist economic institutions to guarantee the free flow of capital worldwide (Robinson and Harris 2000:41), transnational capitalists do not all agree on how to proceed in the development of globalization. Their squabbles are primarily about “strategic political issues of *class rule*” (ibid.:43).

Free marketeers are ideologically united around a program of “free enterprise” along the lines of the “Washington Consensus.” Structuralists, like Soros, want a restructuring of the financial system to bring stability to global finance. They call for adjusting the “Washington Consensus” to achieve this goal. Regulationists call for a regulation regime with which to reform the financial system and at the same time to assuage the most glaring social contradictions, to maintain political stability. They have called for a post-Washington consensus that would not, however, institute controls on transnational capital.

Currently, the free marketeers are in decline, and a rapprochement between the other two groups is developing around what is termed the “Third Way” (ibid.:48). The United States under Clinton (and probably under George W. Bush, who with Clinton belong to the structuralist group), the United Kingdom under Tony Blair, and Germany under Gerhard Schroeder are trying to consolidate global capitalism around the “Third Way” (ibid.). The “Third Way” continues the dismantling of the welfare state but its discourse includes equality of opportunity, market individualism, political decentralization, and programs such as health and education that would benefit the New Economy in terms of a healthy, literate work force (ibid.:50).

Given the enormous pressures on the global capitalist system and the impending crises that almost certainly will engulf it, it remains to be seen whether the transnational capitalist class bloc can bring stability through organizing a social base in support of the system. Crises could also compel the transnational capitalist class bloc to establish a repressive regime to co-opt reformist and contain revolutionary social movements.

Summary of Articles

The articles in this volume discuss globalization and public policy in a variety of ways. The first three articles deal with the macro level of globalization and show how the majority of Hawai'i's population has been adversely affected by it.

Li'anā Petranek's article engages local and national public policy in reference to globalization by looking at it as a symptomatic response to capital reproductive dynamics. For this reason, she enlarges the discussion to provide a political economic analysis of the capitalist system's contradictions and why it moves in the direction of recessions, depressions, and stagnation. She also challenges the role of the state in maintaining homeostasis within capitalism's contradictory dynamics and its absolute conditions for valorization and accumulation. Her conclusion champions historical materialism, which shows the workers as the creators of a truly *new* economy that serves an overwhelming majority in society.

John Witeck's article analyzes how public policies in the Islands support a neoliberal agenda to the detriment of the majority of Hawai'i's people. Governor Cayetano's agenda has been the epitome of globalizing public policy. Witeck calls for a challenge to these policies by a grassroots social movement that comprises labor, churches, and other sectors and institutions in local society.

Jim Brewer also writes about the effects of Cayetano's policies on the local political economy. He opposes globalization with "full democracy" and argues that the latter strategy would be more beneficial to the majority of the people in the state. To arrive at a "global-village democracy," people in the Islands must establish a political party that is truly democratic as is the case in other societies.

Robert H. Stauffer's article relates the University of Hawai'i's recent developments to what he terms "the modern political machine." He argues that education has not been a priority of the machine in recent times. Stauffer furthermore explores the manner in which this relationship plays out in the globalization era. He contends that the machine opted for a dependency relationship, which he calls "wholesale economics," instead of a policy of "retail economics," where there could have been more local control of economic assets.

The next two articles deal with resistance to globalization on the local level. They demonstrate that it is possible to develop a social movement to encounter at least some effects of globalization in the Islands.

Ira Rohter delves into the relationship between local politics and a transnational corporation, Oji Paper Company Ltd., which wanted to lease land in Hāmākua on Hawai'i Island. The residents won a significant battle against major politicians because of a number of factors having to do with grassroots political activism during the past two decades. The result was an effective social movement wedded to a new style of democratic politics that reject politics-as-usual for a future vision rooted in a model of sustainable development.

Luciano Minerbi takes a different approach by looking at the response of local communities to the forces of globalization through locally based planning. To do so, the community must assert itself in the face of government centralization. The projects

discussed in Minerbi's article point out the possibility of a global economy where people's needs, not profits, are the main concern.

Jon Matsuoka and Elliot Higa show how the small island of Lānaʻi has been severely impacted by globalization, which changed the island's mono-crop economy from pineapple to tourism. The article measures changes in the quality of life on the island. The authors call for strategies in community building that oppose big development projects controlled by outside forces and promote community-based planning.

Ulla Hasager and Marion Kelly look at the land history of Hawaiʻi in the context of local and global social and economic processes. The focus is eventually on the ultimate form of localization represented in homesteading efforts, especially for agricultural purposes. The system of land ownership and control in the Islands is still highly concentrated, and the present state government has no strong policy supporting small-scale land ownership and farming. Whatever meager efforts to remedy this situation there have been, at least for native Hawaiians, are currently under attack.

Finally, three appendices are included. The first describes *Employees Today*, a TV program that airs on Oʻahu's cable channel 54. The program discusses political economy issues in the Islands. The second offers a description of elements essential to grassroots organizing efforts against unpopular public policies and economic development projects. The third lists resources on globalization at the University of Hawaiʻi at Mānoa.

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