

The world into the 21st century: Globalization, market capitalism and sustainability

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Abstract

The solution to the economic and political crises of the earlier decades of the 20th century was sought and found in state intervention through planning, as it was the case in many countries. However, towards the end of the century, technological progress and rapid innovations especially in the field of information technologies, have led to the global integration of financial markets and changing trends in many fields such as the rapid increase in international trade and growing interest in regional integrations. 1980s and the aftermath has been the period of rising capitalist market economy, trying to integrate globally. For some, it was a new phase in the world history or rather was the “end of the history”, and globalizing capitalism was going to solve all the problems on earth. Soon it was increasingly realized that the market economy was causing some global problems with fatal consequences such as the climate change. Moreover, with the global crisis originating from the financial markets and spreading to all sectors during the second half of the first decade of the 21st century, it became apparent that the globalizing capitalism was not capable of handling all the problems on earth. The aim of this paper is to analyze some major global problems, their repercussions, their probable future consequences and to discuss policies towards a more livable world.

Key words: Globalization, markets, crisis, sustainable development, state intervention, world order.

JEL codes: F620, F630, F650, J110, P100, P110, P160, Q540.

“For much of the world, globalization as it has been managed seems like a pact with the devil”, Joseph Stiglitz, *Making Globalization Work*, Chapter 10 Democratizing Globalization, Penguin Books 2007, p. 292.

1. Introduction

The earlier decades of the 20th century were the years of economic and political crises. In many countries, state intervention through planning was seen as the major tool to eliminate such crises. However, market capitalism was on the rise again especially during the last decades of the century. Technological progress, especially innovations in the field of information technologies have paved the way for financial markets to integrate globally. Besides financial markets, there were similar developments in other fields as well, such as the rapid increase in international trade. Meanwhile, regional integrations were also attracting a growing interest among the countries in several parts of the world.

It was then a more or less commonly accepted view of the western hemisphere’s ruling political right that a globally integrated capitalist market economy was in the core of the new international order, which was going to rule the world eternally, it was the “end of history” as Fukuyama (1992) put it. For the people who shared the above view, although there were some problems such as global warming, they would not be exaggerated as the solutions for them were going to be found by the globalizing markets through time. The world was heading towards an era of wealth. In fact, there was rapid growth in almost every field of the world economies, but particularly in the financial sector. The financial revenues and financial wealth were growing with an extraordinary speed and reaching magnitudes which were not experienced before. As a matter of fact, the growth rate of financial assets was much higher than the rate of the global gross value added (see IMF, 2015; BIS, 2006-2015). This was the story until 2008 when the huge bubble was blown up.

The first global crisis of the 21st century began in the financial sector of the United States and rapidly spread to other sectors and countries in a short while. It is the most serious one since the “Great Depression” of 1929, it is still on and now there is almost a consensus for calling it the “Great Recession.” Eventually, it has led to a sizeable state intervention especially in the worst crisis stricken countries of the capitalist market economies. As it was the case in Great Depression, it has already caused many important changes in almost every aspect of the contemporary paradigms (see Claessens et al., 2010; Gore, 2013; Kotz, 2009; Lucarelli, 2009; Rodrik, 2011; Stein, 2010, 2012; Stiglitz, 2010a, 2010b, 2013; UN, 2012, 2014a; World Bank, 2015 among many others).

The aim of this paper is to elaborate on the major present day global problems, which the globalizing market economy has created or has not been capable of

solving and to discuss policies which are proposed for a more livable world. The paper does not cover all the global issues that could be attributed to market capitalism except the ones that the authors have considered to be most comprehensive and at the root. It deals with important challenges faced by globalizing market capitalism in critical areas such as the ability to prevent serious macroeconomic and financial crises, problems related to rising income inequality and demographic issues and environmental concerns regarding the problems arising from climate change. Finally it deals with the important question of whether a “fair globalization” is possible.

Within this context, Section 2 describes the rapid growth and the eventual failure of the financial markets leading to the recent financial crisis, as well as the size and scope of control of the present day financial corporations in order to observe whether they still present a threat to financial stability. The problem of poverty and inequality and the problem of climate change which the globalized markets have been aggravating rather than solving are the subject matter of Section 3 and Section 4, respectively. Section 5 clarifies the developments and risks associated with global trends in world population within the present economic system. Section 6 discusses the propositions for a better world, and Section 7 summarizes and concludes.

2. Another market failure at global scale

Towards the end of 20th century, technological progress and rapid innovations particularly in the field of information technologies have led the way for a global integration of financial markets. 1980s and the following years have been the period of rising capitalist market economy trying to integrate globally. International trade was another field of rapid growth and especially with the support of globally integrating financial markets, growing interest was observed in regional integrations. The collapse of the Soviet Union in 1989 has led to the view that the last barrier on globalization was down and out. It was the beginning of a new era leading to global integration and unlimited wealth, the trend was towards a borderless world (e.g. see Ohmae, 1990), and the end of nation state (e.g. see Ohmae, 1995). The globalizing market capitalism was going to handle and solve all the problems on earth. These were more or less the views especially dominant in the western hemisphere of the world.

Financial markets, mostly because of their working structures, have been most adaptive to new developments and innovations in the field of information and communication technologies. The growth observed in financial markets was tremendous; they themselves were also very innovative in introducing new financial instruments, and new ways and models of financing. These were also contributing to the developments in other sectors of the global economy.

Moreover, easy money policy of the Federal Reserve of US and financial deregulations which have taken place in many countries have considerably contributed to the speed of development and growth in financial markets, first in the United States and then in others, especially in Europe. Deregulation, particularly financial deregulation was one of the leading causes of the widespread instability. It was forced mainly by corporations which had rather short-term perspectives and obsession for short term profits (see e.g. Gore, 2013: 35; and Stiglitz, 2013: 112).

Extraordinarily large profits were being realized in very rapidly growing financial markets. The size of the financial markets has grown enormously in quite a short span of time. These developments can be traced in Figure 1 which depicts the annual developments in the financial derivatives market since 2005.

In 2007, the volume of financial derivatives increased by 62.9% over the level of the previous year, and its ratio to the world output reached 27.5%, representing a rise of 8.5 percentage points; but even this fell short of the developments in 2008 which was the peak year of the crisis. In 2008, the volume of financial derivatives more than doubled, recording an annual increase of 123.4%; and its ratio to the world output reached 56%. After the peak it has reached in 2008, the volume of OTC derivatives¹ has been oscillating, with a downward underlying trend at least for the time being.

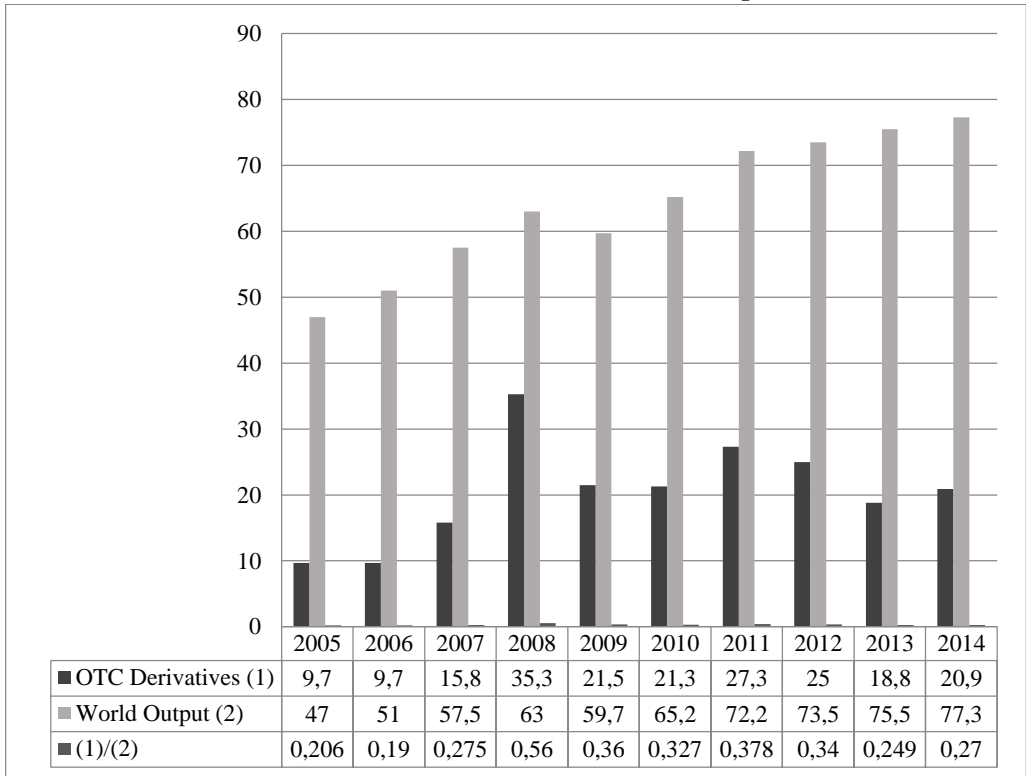
It has been very much apparent in a considerably short period of time that the fundamentals of this rapid growth in financial markets were very weak. It is not easy to understand the reluctance of the authorities of the major economies in taking necessary measures despite the fact that the warnings were made by a score of political figures, interest groups and media before the crisis has burst out (see e.g. *The Economist*, 2006; Geewax, 2007; and Arnold, 2007).

In fact, it all started at the beginning of 2006 when the US house prices began to decline. This has flared up the financial crisis by triggering the collapse in the “sub-prime” market. The significant bankruptcies have begun to take place from April 2007 onwards; the first victim was the New Century Financial which was followed by two hedge funds of Bear Stern. Only on 12 December 2007, the central banks of US, EU, UK, Switzerland and Canada have made a joint declaration that they were going to act together to overcome the crisis. However, on 15 September 2008, the Lehman Brothers crashed and many others have followed it. The

¹ Over-the-counter (OTC) derivatives are the derivatives which are traded privately between two counterparties. Trading information on these individual contracts is collected from major derivatives traders by central banks, which transmit the data to the BIS. For more information see BIS (2009). The amounts of OTC derivatives given in Figure 1 are the gross market values; as a matter of fact, the notional (i.e. nominal) values for the same OTC derivatives are much higher, e.g. 2007 nominal value is almost 38 times higher than its gross market value.

interventions of the political authorities and central banks could not be described as timely, coordinated, and successful at all².

Figure 1
 Developments in the World Financial Derivatives Market
 (In trillions of US dollars at current market prices)



Source: BIS (2006-2015), IMF (2015).

Huge amounts of public resources were put into the financial sector in order to clean up the mess which was caused by irresponsible people both in the government and in the financial sector. In order to contain the crisis, during the period between mid-2007 and mid-2009, the scale of the public intervention as a ratio of GDPs of the corresponding countries were 9% in the USA, 18,7% in only some of the Euro Area countries (Austria, France, Germany, Greece, Ireland, Italy,

² For a detailed account of the events and especially the interrelations among the top managers of financial corporations, and between them and the government officials and the politicians in the US, see Sorkin (2010).

Netherlands and Spain) as their composite total, 8,9% in Switzerland, 52% in the UK, 46,6% in Sweden (Psalida et al., 2009).³ It seems that the “Great Recession” is still on, and the financial markets are in the move again although they are not as exuberant as in the year of 2008, for the time being. All in all, the financial sector is still quite strong in every meaning of the word, if not the strongest as it will be seen in the following paragraphs.

The transnational corporations (TNCs) can abuse the market economy, and global cartels may appear, even at times with the help of the governments of their country of origin, and these corporations perform anti-competitive behavior (e.g. see Stiglitz, 2006: 197-210). As a matter of fact, the work of Vitali et al (2011) has shown that a network of TNCs adversely affects the global market competition and financial stability⁴. Their findings show that the core, which is composed of a relatively small number of firms, collectively controls a large fraction of the total network. By control, the researchers mean their potential ability to impose the decisions upon the network firms through direct or indirect ownerships. The core is a group of 147 TNCs, and 75% of them are financial intermediaries. The authors call the top control holders within the core as “super entity”.

They give the list of top 50 TNCs whose cumulative network control is about 40%, and 90% of them are financial firms. Table 1 below shows the top 10 of the TNCs whose cumulative network control is about 20% and 9 of them are financial intermediaries.

Table 1
Ranking of the Top Ten Economic Actors by Global Control

Rank	Name of the Company	Country	Cumulative Network Control (%)
1	Barclays plc	GB	4,05
2	Capital Group Companies Inc.	US	6,66
3	FMR Corp.	US	8,94
4	AXA	FR	11,21
5	State Street Corp.	US	13,02
6	JPMorgan Chase &Co.	US	14,55
7	Legal&General Group plc	GB	16,02
8	Vanguard Group Inc.	US	17,25
9	UBS AG	CH	18,46
10	Merrill Lynch&Co. Inc.	US	19,45

Source: Vitali et al. (2011).

Note: GB: Great Britain; US: United States of America; FR: France; CH: Switzerland.

³ For more examples of the cost of the financial crisis, see Claessens et al. (2010), Laeven and Valencia (2010) and (2012), Pisani-Ferry and Santos (2009).

⁴ They have carried out their research based on a list of 43060 TNCs identified according to the OECD definition among about 30 million firms covered by the ORBIS database; these were located in 116 countries with 5675 TNCs quoted in stock markets. For more information, see OECD (2010).

Vitali et al. (2011) also refer to some recent studies which assert that when a financial network is very densely connected, it is vulnerable to systemic risks as it was witnessed during the recent financial crisis. As a matter of fact, such a network which is seemingly robust, can run into trouble as a whole because of its vulnerability to contagion. Therefore, full integration of the financial markets may not be desirable and there is a need for “circuit breakers” in such integrated markets as stated by Stiglitz (2010a).

3. Global poverty and increasing economic inequality

Another major problem of the current economic system is its failure to eliminate poverty and tendency to lead to further inequality. The UN Millennium Summit in 2000 set the development goal of halving the proportion of people suffering from extreme poverty by 2015 compared to 1990 levels.

In order to measure and make assessments, the World Bank (WB) first adopted \$1.08 per capita per day on 1993 purchasing power parities (PPP) as the international poverty line. Later this was revised to \$1.25 based on 2005 PPPs. According to the calculations of WB the poverty rate fell from 43.5% in 1990 to 24.8% in 2005 and to 19.1% in 2010 for the developing world as a whole (WB, 2015). However the WB’s approach to the estimation of global poverty has attracted many serious criticisms which made its estimates quite questionable and led to different institutional approaches.

According to the Asian Development Bank (ADB), excluding Asia, actually the number of extremely poor increased in the rest of the developing world from 1990 to 2010. Moreover, China was almost alone in causing the reduction in poverty in Asia⁵. Based on the assumptions of WB, ADB projects that the developing world excluding Asia is not going to be able to halve its 1990 poverty rate until after 2030 (ADB, 2014: 3). Furthermore, ADB has argued that the \$1.25 poverty line is questionable. First of all, it is below most of the developing Asia’s national poverty lines⁶ in 2005 PPPs. Secondly, basic needs are different for different regions, and they change over time. Finally, the change in relative prices in line with technological progress and changes in consumer preferences can change the actual consumption basket of the poor.

ADB has developed its own approach to estimating a regional poverty line for Asia. Following basically the WB’s method which was used to generate the \$1.25 poverty line, ADB has calculated the poverty line for Asia as \$1.51. By utilizing WB’s household survey data they have also calculated poverty rate for Asia as a

⁵ The decline in China’s extreme poverty was 528 million over a period of 20 years.

⁶ The poverty lines of 19 countries are at or above \$1.50 and 12 countries have poverty lines at or above \$2.00 (ADB, 2014: 7-8).

whole which was almost 10 percentage points higher than the WB's estimate for 2010. This has increased the number of people under the poverty line by 343 million (ADB, 2014: 10-11). Furthermore, ADB has made a more comprehensive assessment of poverty in Asia, by combining food security and vulnerability with the Asian poverty line of \$1.51. According to this approach, ADB's new estimate of the number of poor for 2010 is 1750 million for developing Asia⁷ (ADB, 2014: 31-32).

Another leading criticism, which has attracted much attention belongs to Reddy and Pogge (2010). They claim that WB's approach to estimating the global income poverty is neither meaningful nor reliable. Their criticisms are mainly based on three points: First WB's methodology does not directly refer to basic human needs but rather to a relatively arbitrary international poverty line. Secondly, the WB's PPP statistics, which are employed to make comparisons across countries, are based on average prices of a basket of all commodities. It fails to represent the actual purchases of poor people. Finally, apart from the conceptual problems, WB's estimates of global poverty have very large errors due to data and measurement problems.

In another criticism, Reddy and Minoiu (2007), claim that the estimates of world poverty are critically dependent on the assumptions made. Depending on the assumption, for the very same period, the number of poor in the developing world may decrease or increase.

Bradshaw and Mayhew (2011) state that there is not such a thing as absolute poverty. The authors criticize WB's poverty lines on several grounds: There are several basic material needs, not just one calorific need, thus suggested thresholds are arbitrary; the use of PPPs is inadequate, since they are not based on the consumption patterns of the poor; the choice of the base year for calculations makes a big difference, especially for countries which have had radical changes in their living standards.

Recently, Oxford Poverty and Human Development Initiative of the University of Oxford has started a multidimensional poverty index (MPI) which is calculated by multiplying the incidence of poverty by the average intensity of poverty across the poor (OPHI, 2015). It reflects both the share of poor people and the degree of their deprivation. The index is composed of three dimensions of poverty with ten indicators. The indicators for the health dimension are nutrition and child mortality, education dimension's indicators are years of schooling and school attendance, and the indicators for living standard dimension are electricity, sanitation, water, flour, cooking fuel and assets. According to 2015 MPI analyses, 1,6 billion people are living in multidimensional poverty; about 54% of whom are

⁷ For 2010, WB's total global figure is 1125 million (WB, 2015: 19).

in South Asia and 31% in Sub-Saharan Africa. The results of OPHI in terms of the regional breakdown significantly contradict WB's 2011 data, which indicates that 47% of the world poor live in Sub-Saharan Africa while 25% of them live in South Asia.

As it is presented above, there is an ongoing debate on the statistics of poverty in the developing world and the methodology to be used for its measurement. Nevertheless, poverty is one of the most important problems of our times, and it is not going to fade away by just arranging the statistics in a desirable way.

In contrast to the situation in developing countries, there is not much debate about the size and the trends of poverty in the more developed parts of the world. In the following paragraphs, poverty within the rich world is analyzed and discussed together with the developments in income and wealth inequalities in general.

Thomas Piketty's *Capital* has prompted an intense debate on global inequality, hence it is almost inevitable to begin with Piketty's views on inequality. He starts with what he calls the "fundamental inequality": wealth grows faster than economic output, i.e. the rate of return to wealth is higher than the economic growth rate. There are no natural forces pushing against the concentration of wealth; only a burst of rapid growth or government intervention could do it. In Table 2, inequalities of labor and capital incomes and overall income inequality are given in different degrees of inequality through time and space in terms of Gini coefficients. This table is prepared by utilizing three tables given in Piketty (2014).

Table 2
Piketty's Gini Coefficients Across Time and Space

	Inequality of Labor Income	Inequality of Capital Ownership	Inequality of Total Income
Low Inequality	0.19 (≈ Scandinavia, 1970-1980s)	Never Observed	0.26 (≈ Scandinavia, 1970-1980s)
Medium Inequality	0.26 (≈Europe 2010)	0.58 (≈ Scandinavia, 1970-1980s)	0.36 (≈Europe 2010)
Medium-High Inequality		0,67 (≈Europe 2010)	
High Inequality	0.36 (≈US 2010)	0.73 (≈US 2010)	0.49 (≈US 2010 Europe 1910)
Very High Inequality	0.46 (≈US 2030?)	0.85 (≈Europe 1910)	0.58 (≈US 2030?)

Source: Derived from Piketty (2014: 247-249 Tables: 7.1, 7.2, 7.3).

As it is depicted in Table 2, inequality of capital ownership is much higher than the inequality of labor income. Moreover, inequality at present in US⁸ is higher than in the other regions, and Piketty expects it to become even higher in the future. The present day US inequality is comparable to only European inequality in 1910. This is not surprising for someone who scrutinizes the recent OECD data of income distribution which show that the US has the fourth highest Gini coefficient among OECD countries and the third highest in terms of S90/S10 income share ratio⁹ (OECD, 2015).

Economic inequality in the developed world has been increasing as it is apparent in the following two tables, which cover the OECD countries. The first one (Table 3) covers the OECD 18, which depicts that both Gini coefficient and S90/S10 ratio have increased in a significant and continuous way from 1985 to 2012. Relative poverty rate has also increased in a similar pattern. Table 4, which has a broader coverage with 27 OECD countries, shows that both income inequality and relative poverty rate have increased in recent years.

Table 3
Distribution of Household Disposable Income and Poverty (OECD 18)

	1985	1990	1995	2000	2005	2010	2012
Gini Coefficient ¹	0.287	0.297	0.304	0.313	0.316	0.317	0.319
S90/S10 ²	7.4	8.1	9.0	9.2	9.4	9.8	9.9
Relative Poverty Rate (%) ³	9.3	10.1	10.1	10.5	11.1	11.7	11.7

Source: Derived from OECD Database.

- ¹ The Gini coefficient takes values between 0 (where every person has the same income) and 1 (where all income goes to one person).
- ² The S90/S10 income share ratio refers to the ratio of average income of top 10% to the average income of the bottom 10% of the income distribution.
- ³ Percent of persons living with less than 50% of equalised disposable income, i.e. disposable income adjusted for household size.

⁸ Among the developed economies, US, together with Hong Kong and Switzerland, is in the group of “very high inequality” (Credit Suisse, 2014).

⁹ See Table 3 for definition of S90/S10 income share ratio.

Table 4**Key Indicators on the Distribution of Household Disposable Income and Poverty**

(OECD 27)			
	2007	2011	2013 or latest available year
Gini coefficient	0.314	0.314	0.315
S90/S10 income share ratio	9.2	9.5	9.6
Poverty rate (relative threshold)	11.0	11.2	11.2
Poverty rate (threshold “anchored” in 2005)	7.6	9.5	9.9

Source: Derived from OECD, In It Together-Why Less Inequality Benefits All

Note: Income distribution data refer to the total population and are based on equivalised disposable income, i.e. disposable income adjusted for household size. The Gini coefficient takes values between 0 (where every person has the same income) and 1 (where all income goes to one person). The poverty threshold is 50% of median disposable income in each country.

Table 5 below presents information on changes in real disposable household income before and after the recent global crisis for OECD 27, as given by Cingano (2014).

Table 5

The Real Disposable Household Income, pre-crisis and post-crisis periods
(Average annual change, in percentages)

	Pre-crisis (mid-1980s to 2007/08)	Post-crisis (2007/08 – 2011/12)
Total Population	1.6	-0.5
Top Decile	1.8	-0.7
Bottom Decile	1.3	-1.8

Source: Derived from Cingano (2014), Table A1.1.

According to the figures of pre-crisis period, real disposable income changes in both top and bottom deciles are closer to the average increase for total population when compared to the post crisis period, during which the decline in bottom decile is more than twice that of the top decile. As it is already apparent, the great recession has made the poor much poorer in the developed as well as in the developing world. There is almost a consensus that the developing world was first hit by globalization and then by the financial crisis.

The great recession has also adversely affected the wealth shares at global and regional levels with some exceptions. Globally, the top wealth owners' share, in terms of both top percentile and top decile, has gone down during the 2007-2010 period and then has started to move upwards in a continuous fashion (Credit Suisse, 2014: 124).

Regionally, there have been different developments. In the cases of China and India, the top wealth owners' shares have climbed up in a significant and continuous way throughout the period of 2000-2014. In the case of China, top percentile's share has increased from 19.0% in 2000 to 37.2% in 2014; top decile's share has also increased from 48.6% to 64.0% during the same period. In the case of India, the wealth inequality was already very high at the beginning of the period, the share of top percentile which was 36.8% in 2000 has increased continuously and reached 49.0% in 2014; similarly the share of top decile has increased from 65.9% to 74.0% during the same period. These figures show that the significant increase in economic inequality is very much apparent in the cases of both China and India (Credit Suisse, 2014: 124).

There is a different story for both Europe and Latin America. Top wealth owners' shares, in terms of both top percentile and top decile cases, have been declining steadily and continuously until the financial crisis, but then there has been a change in trend in both cases starting from 2009. However, in 2014 their shares have gone back to the levels of 2001- 2002 in the case of Europe, and above the level of 2000 in the case of Latin America (Credit Suisse, 2014: 124). In the case of North America, in terms of the shares of top wealth owners, there has been no radical change except a slight decline over the period of 2000-2014, totaling up to one percentage point (Credit Suisse, 2014: 124).

4. Climate change and sustainable development

Another area of concern is the climate change. 1983-2012 period was with a 90-100% probability, the warmest 30-year period of the last 800 years and with a 66-100% probability, the warmest of the last 1400 years in the Northern Hemisphere according to the Intergovernmental Panel on Climate Change (IPCC) (IPCC, 2014: 40). The increases in anthropogenic greenhouse gas emissions since the pre-industrial era were largely due to economic and population growth, moreover about half of the cumulative anthropogenic CO₂ emissions between 1750 and 2011 have taken place in the last 40 years (IPCC, 2014: 44-45). The probable consequences of climate change are to be seen in several forms, but the major results are basically to be witnessed in global temperature change and global sea level rise. Some projections for both cases are given in Table 6.

The projected values are quite significant, hence the impacts on human systems and nature systems are expected to be very strong. For example, coastal systems and low-lying areas will increasingly experience submergence, flooding and erosion throughout the 21st century and beyond, due to sea level rise (IPCC, 2014: 67), and heat waves will occur more often and last longer, and extreme precipitation events will become more intense and frequent in many regions due to the rise in surface temperature (IPCC, 2014: 58).

Table 6

Projected Change in Global Surface Temperature and Global Sea Level Rise for the Mid and Late 21st Century (Relative to the 1986-2005 Period)

	2046-2065		2081-2100	
	Mean	Likely Range	Mean	Likely Range
Global Mean Surface Temperature Change (°C)	1.0-2.0	0.4-2.6	1.0-3.7	0.3-4.8
Global Mean Sea Level Rise (m)	0.24-0.30	0.17-0.38	0.40-0.63	0.26-0.82

Source: Summarized from IPCC (2014: 60 Table 2.1).

Note: The figures cover the projections of four different scenarios.

Risks are generally greater for disadvantaged people, especially for people living in poverty (IPCC, 2014: 54, 64). Both urban and rural areas are expected to experience major impacts particularly in terms of water and food shortages (IPCC, 2014: 69, 71).

Limiting the effects of climate change is a must to achieve sustainable development (IPCC, 2014: 76). In fact, one of the goals of sustainable development is stated as to “take urgent action to combat climate change and its impacts” (UN, 2014a: 10). According to IPCC, “climate change has the characteristics of a collective action problem at the global scale” (IPCC, 2014: 76). As a matter of fact, OECD underlines the urgent need for a coordinated action at the global scale to avoid the catastrophic consequences of climate change (OECD, 2012: 89-90). According to Stern (2006), the cost of inaction could be a permanent loss (“now and forever”) of as high as more than 14% of average world consumption per capita besides immeasurable catastrophic impacts upon the natural and human systems.

Therefore, the global greenhouse gas (GHG) emissions should be reduced to the levels at least to hold the increase in global average temperature below 2°C above pre-industrial levels as it was stated in 2010 Cancún Agreements. According to the OECD, the cost of reaching this goal is roughly 5.5% of global GDP in 2050, in other words the annual global GDP growth on average is estimated to be 3.3% instead of 3.5% (OECD, 2012: 73). Moreover, significant investments in mitigation and adaptation are required. According to the International Energy Agency, energy sector alone would require an additional USD 1.6 trillion investment per year between 2030 and 2050 in order to shift the carbon intensive energy sector to a low-carbon one (OECD, 2012: 135-136).

Some of the concluding key messages of Stern (2006) are as follows: in order to reduce the risks of climate change very high reductions in carbon emissions are required; there is an immediate need for action, since stocks of GHGs are rapidly approaching dangerous levels; and there must be a clear perspective on the long-

term goals for stabilization of greenhouse gas concentrations in the atmosphere (Stern, 2006:572). Although some market based instruments such as emission trading schemes have already been put into action, their short-run environmental effects have been limited (IPCC, 2014: 107); and the multiple market failures call for a mix of policy instruments to cut GHG emissions effectively (OECD, 2012: 91).

As it is rightly emphasized in IPCC (2014), inequality places the impacts of climate change and the burden of adaptation on the most vulnerable and/or transfers them to future generations, and constrains the ability for developing nations with low income levels to contribute to greenhouse gas mitigation (IPCC, 2014: 95). Considering the facts brought forward especially in the preceding paragraphs of this section, a coordinated action should be taken by the international community in order to plan and implement a policy mix of mitigation and adaptation, such an approach can also create synergies with sustainable development as suggested by major international platforms, such as IPCC and OECD (IPCC, 2014: 112; OECD, 2012: 89-90).

5. The risks related to global trends in world population

Trends in world population also constitute an area of concern. United Nation's (UN) projections given in Table 7 indicate that the world population, which is presently just over 7 billion is going to be around 10 billion in 2050, and around 11 billion in 2100 according to the medium variant of the projections. While the share of less developed regions in total world population was 82.5% in 2013, it is projected to be more than 86% in 2050 and just over 88% in 2100 again according to the medium variant of UN projections (UN, 2013). Another underlying trend is the rapid urbanization; today's 54% urban population ratio is expected to be 66% in 2050, in other words urban proportion will be increased by more than 10 percentage points in the course of the next 35 years (UN, 2014b). Furthermore, the world population has been ageing quite rapidly, and moreover, the aged part has itself been ageing. In summary, the planet earth is going to be much more crowded with a population highly aged and living mostly in the cities, most of which will be in the less developed parts of the world.

Table 7
World Population, Development Groups and Major Areas
According to Different Variants of Projection (Billions)

	2013	2050			2100		
		Low	Medium	High	Low	Medium	High
World	7.2	8.3	9.6	10.9	6.7	10.9	16.6
Breakdown in Percent							
More Developed Regions	17.5	13.8	13.6	13.5	11.9	11.8	11.8
Less Developed Regions	82.5	86.2	86.4	86.5	88.1	88.2	88.2
World	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Africa	15.5	25.4	25.1	24.7	41.9	38.6	36.1
Asia	60.0	53.7	54.1	54.4	40.6	43.4	45.4
Europe	10.4	7.5	7.4	7.4	5.7	5.9	6.0
Latin America and the Caribbean	8.6	8.1	8.2	8.3	6.2	6.8	7.3
Northern America	5.0	4.7	4.7	4.6	5.0	4.7	4.5
Oceania	0.5	0.6	0.6	0.6	0.7	0.6	0.6

Source: UN (2013: 2).

Note: More Developed Regions: Europe, North America, Japan, Australia and New Zealand. Less developed regions mean the rest of the world.

The present trends in world population are by themselves enough to create very serious sustainability problems. According to medium variant of the projections, the increase in less developed regions' share in world population is mainly due to the population growth in Africa especially in the second half of the 21st century. Africa's share of 15.5% in 2013 is expected to more than double by the end of the century to reach a massive 39%. The populations of Africa and Asia together will make 82% of the global population in 2100. It means that to achieve global sustainability is not possible without solving the problems of these two continents. They are, particularly in Africa, subject to many weaknesses and disadvantages in terms of almost all goals and targets set by many internationally acknowledged reports and documents (e.g. UN Conference on Environment and Development, Rio 1992, World Summit on Sustainable Development, Johannesburg 2002, Rio+Conference, Rio 2012).

Rapid urbanization has been attracting attention, because it does not only give some indications for the future developments in human life style, but it also underscores the weaknesses and vulnerabilities of people who increasingly prefer to live in the cities with different motivations but mostly for earning a livelihood. Presently, more than half of the world's population lives in the cities, this ratio is expected to be two-thirds in 2050. According to UN (see Table 8), the share of the people living in less developed regions is expected to be 63%, who are going to be city-dwellers in 2050; and moreover most of them will be the citizens of megacities¹⁰.

¹⁰ According to UN, a city with the population of 10 million or more is a megacity.

Table 8
Developments in World Urban Population

	1990		2014		2050		Average Annual Rate of Change, % 2010-2015
	millions	%	millions	%	millions	%	
World	2285	100.0	3880	100.0	6339	100.0	0.9
More Developed Regions	831	36.4	980	25.3	1114	17.6	0.3
Less Developed Regions	1454	63.6	2900	74.7	5225	82.4	1.2
Urban Proportion in Percent							
World	43		54		66		
More Developed Regions	72		78		85		
Less Developed Regions	35		48		63		

Source: UN (2013: 20).

The number and the populations of megacities have been increasing as well, since most people of the less developed regions of the world increasingly prefer to dwell in them. The number of megacities with a population of 20 million or more is expected to be 13 in 2030. Eight of these are going to be in Asia, three in Africa, and the remaining two in Latin America.

As it is the case, rapid urbanization observed in the less developed world, has brought about many problems such as increased poverty. The proportion of urban poor increases faster than the urban population growth in many of these countries (Cohen, 2006). Especially in Africa, a very high proportion of city dwellers live in slums. These cities of developing world are inadequate in providing the basic services to their citizens. The share of urban poverty in total urban population has risen throughout the world (Ravallion et al., 2007). In order to alleviate the urban problems and to avoid the crises stemming from unplanned rapid urbanization especially in the less developed regions, a properly planned approach is needed by both central and local governments, and in many cases by international organizations.

Another area which requires planning and special efforts at different levels of government and perhaps more is the ageing population. According to UN (2014b), the people over 60 are the fastest growing age group of the world; and this group itself is ageing. The share of people over 80 within the older population has been increasing. In Table 9, the basic old age statistics of the world are presented. The composition of the old age population is shown in Figure 2.

Table 9
 Distribution of Old Age Population of the World, Development Groups,
 2013, 2050 and 2100 (Medium Variant) (Millions)

	2013			2050			2100		
	60-79	80+	Total	60-79	80+	Total	60-79	80+	Total
World	721	120	841	1628	392	2020	2154	830	2984
More Developed Regions	230	57	287	393	124	517	276	164	440
Less Developed Regions	491	63	554	1335	268	1603	1878	666	2544
As Percent of World Old Age Population									
World	85.7	14.3	100.0	80.6	19.4	100.0	72.2	27.8	100.0
More Developed Regions	27.3	6.8	34.1	19.5	6.1	25.6	9.2	5.5	14.7
Less Developed Regions	58.4	7.5	65.9	66.1	13.3	79.4	63.0	22.3	85.3

Source: Derived from UN (2013: 7).

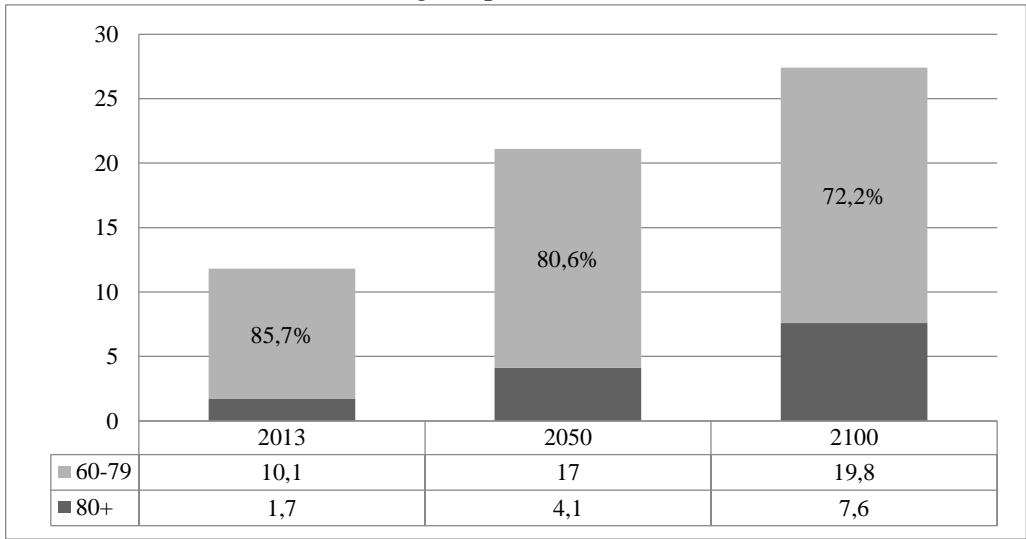
The share of old age people (60+) in the total world population is expected to increase from 11,8% in 2013 to 28,4% until the end of the century; and the share of people over 80 is projected to increase from about 14% in 2013 to 19.4% in 2050 and about 28% in 2100 (Figure 2).

Moreover the much larger part of the ageing world population is expected to be in the less developed parts of the world, with 79.4% in 2050 and 85.3% in 2100. It is projected that there will be 2154 million people between 60-79 years of age, and 830 million people in 80 or more years of age, altogether around 3 billion old age people living globally, and more than 2.5 billion of whom will be living in the less developed regions in 2100.

These are very huge numbers which require special attention and planning, since the consequences are many faceted. It will not only affect the social security systems, where they exist, requiring not only a huge amount of financing, but also a new economic and social modelling, since economic growth based upon the present market system is unlikely to be able to cope with the problems put forward so far.

Figure 2

The Share of Old Age Population in World Population and the Composition of Old Age Population (%)



Source: Derived from Table 9.

6. Is a fair globalization possible?

In the previous sections, the leading aspects of globalization of market capitalism especially from the viewpoint of its flaws, the problems caused or aggravated by it, its setbacks, and the way it has been developing are examined and discussed.

There is more or less a consensus among most of the prominent critiques of globalization that it requires reform, perhaps a radical one, rather than to be stopped or eliminated once and for all. Essentially, it is almost impossible to get rid of it regarding the circumstances which have led to its development and its present level. On the contrary, many problems including the ones which stemmed from globalization are to be solved through cooperation and action at the global level. A new concept, as well as a new framework is required in order to achieve a fair and sound globalization.

There have been several suggestions including the ones developed by the international community to realize a fair and also an instrumental globalization which will pave the way towards a better world.

Rodrik (2011), approaches the subject matter particularly from the viewpoint of economic globalization. He makes a distinction between two different types of

globalization. The deep version, which he calls “hyperglobalization”, is deeply integrated into the national systems, i.e. the global rules become domestic rules. The world was introduced to this new kind of globalization around the 1990s by the World Trade Organization (WTO) along with the onset of financial globalization. Rodrik states that hyperglobalization is incompatible with democracy (Rodrik, 2011: xix, 76, 83, 200). The other version, which he calls the “thin version” is a sort of Bretton Woods regime updated for a new age, in fact the global rule-based economy and national democracies would be functioning harmoniously within this type of globalization (Rodrik, 2011: 205-206). He argues that the Bretton Woods type international order is the proper one under democratic rules, until a real federalism on a global scale becomes possible (Rodrik, 2011: 203, 205). Rodrik is also in favor of mixed economy model for both the national and global levels (Rodrik, 2011: 22, 235).

In order to have a working globalization, it has to be reformed according to Stiglitz (2013: 336-343). He argues that there are problems to be solved by the international community; for example the problem of poverty cannot be solved by just opening up markets, on the contrary it makes the problem worse. The need is more assistance to the poor and fairer trade. He claims that the international trade agreements are in general unbalanced against the interests of poor countries and the liberalization programmes had almost nothing to say about sustainable development. Protecting the environment, especially with regard to global warming must have a priority over many other issues. Moreover, Stiglitz argues that global governance has certain flaws, in particular there is the problem of lack of democratic governance in international institutions (Stiglitz, 2006: 13-24). He underlines the need for democracy, and claims that the discontent with globalization is partly the discontent stemming from the lack of democratic process (Stiglitz, 2006: 288). In order to have globalization work, there should be an international economic regime aiming at the well-being of people which is better balanced between the developed and developing countries (Stiglitz, 2006: 285). There is a need for international legal frameworks and international courts as well (Stiglitz, 2006: 207).

Stiglitz further argues that democracy is based on the principle of one person one vote, but the outcomes are more in accord with a system of one dollar one vote; this gives the upperhand to the wealthiest one percent (Stiglitz, 2013:171). Present day globalization is managed for this one percent (Stiglitz, 2013:173), and inevitably the current rules of globalization are contributing to growing inequality. A new global order is needed. In any case, the new balance of global economic power makes change inevitable; the emerging markets are demanding a larger role in international platforms and without them it is not possible to deal with global problems like climate change (Stiglitz, 2013:180-181).

The developments in the global distribution of private financial wealth within a very short span of time show the radical changes in the world balance of power. Table 10 indicates that in only two years' time, from 2012 to 2014, the total share of North America and Western Europe in total financial wealth has come down by 5 percentage points from around 60% to 55%, and another 5 percentage points decrease is expected during the next five years period. Meanwhile the Asia-Pacific region, excluding Japan, has increased its share by about 7 percentage points during the same two years and another increase of 5 percentage points is expected in the next five years' time, bringing its share up to over one-third of the global total.

There are many indicators showing that there is an obvious power shift in the world. A significant shift of power from the Atlantic to the Asia-Pacific Region is basically in the economic field. It was basically caused by China which is the economic powerhouse of the recent decades. Furthermore, both the USA and Europe have faced considerable loss of economic power particularly because of the Great Recession. The share of China in global output in terms of PPP (purchasing power parity) has increased from 9,9% in 2005 to 16,6% in 2014, whereas the share of USA has come down from 19,6% to 15,9% and the share of Germany which is the leading economy of Europe, decreased from 4,2% down to 3,4% in corresponding years (IMF, 2015). Manufacturing industry is in the epicenter of these developments. China is the leading manufacturer of the world; its share in total global manufacturing value-added has almost equalized the total of USA and Germany in 2013. Annual rate of change of China's manufacturing value-added was 11% in physical volumes between 2003 and 2013; it was followed by India (7,3%), Korea (6,0%) and Indonesia (4,8%) in terms of annual growth of manufacturing value-added. They have dwarfed the annual rates of increases of both USA (1,3%) and Germany (1,9%) (Meckstroth, 2015).¹¹

These developments have allowed the Asia-Pacific Region countries, especially China, to exert more political influence not only in the region, but also globally. Although China is already a major global power, it is not yet quite a match to the USA in military and political terms. However, it seems that the US government perceives China both as a global adversary and as a major potential partner to cooperate in global matters; as it could be seen in a recent publication of the US National Intelligence Council (2012). This document includes four alternative scenarios for the future of the world towards 2030. The most plausible worst case is the "stalled engines" and the most plausible best case is the "fusion" as they call them. In the case of "stalled engines" scenario, globalization stalls and US and Europe turn inward as a result of increasing instability in Middle East and

¹¹ In fact, the leading globally successful economies of Asia, namely Japan, Korea, China and until recently India are all planned economies, which, except China, are also governed by Western type democracies.

Central Asia as well as a worldwide pandemic. Alternatively, in the case of “fusion” scenario, the US and China collaborate in the areas of intellectual property and innovation in order to overcome global challenges including resource issues and climate change; it means more growth and more democracy and every nation benefits from it. None of the scenarios envisages a really hot conflict between the US and China. If they are the sincere thoughts of the US government, it seems that the US is ready to cooperate with China more than ever.

On the other hand, according to the European Union Institute for Security Studies (EUISS) (2011), the consolidation of the shift of power from the Atlantic to the Asia-Pacific Region is very likely to continue until 2030; however the world will remain multipolar ¹² (EUISS, 2011: 107).

Table 10
Private Financial Wealth

	Percentage Breakdown (%)				Average Annual Change (%)		
	2012	2013	2014	2019E	2013	2014	2019E
North America	32.3	32.8	30.9	28.1	14.2	5.6	4.2
Western Europe	27.8	25.3	24.1	22.1	2.4	6.6	4.3
Eastern Europe	1.6	1.6	1.8	2.1	14.6	18.8	10.0
Asia-Pacific (ex Japan)	22.0	24.9	28.8	33.8	27.0	29.4	9.7
Japan	10.3	9.5	8.7	7.0	3.3	2.5	1.6
Latin America	2.4	2.3	2.3	3.0	5.9	10.5	12.0
Middle East and Africa	3.5	3.5	3.5	4.0	11.5	9.4	9.3
Global	100.0	100.0	100.0	100.0			
Global (\$ trillions)	130.7	146.8	164.3	222.1	12.3	11.9	6.2

Source: Boston Consulting Group (2015).

If an atmosphere of cooperation can be established, it might prove to achieve a just and equitable world order as the global problems necessitate collective action. Hence, particularly in a multipolar world, it requires more actors than just the US and China to prove successful in fair solutions to global issues. However, multipolarity can provide a better environment in providing more democratic means and ways, but also can prove to be an obstacle towards feasible and fair solutions. Therefore, there is still quite a long way to go in the direction of a new global order, fair or not.

¹² With similar results, but more comprehensive analyses from the viewpoint of global economy, see WB (2011).

However, there are some developments not only in conceptual terms but in the form of founding a concrete framework within the currently widest and most inclusive global arena, namely the UN. Recently, Rio+20, UN Conference on Sustainable Development of 2012 has underlined the commitment of the international community to achieve a sustained and inclusive economic growth, social development and environmental protection to benefit all for a world which is just, equitable and inclusive. Furthermore, it is underlined that democracy, good governance and the rule of law, at both the national and international levels are essential for sustainable development (UN, 2012: 1-2). Economic and Social Council (ECOSOC) is the principal organ of the UN for developing policy decisions and coordinating its subsidiary bodies and functional commissions in the field of economic and social development. There is an ongoing work in order to strengthen the ECOSOC¹³. A decision was made by the aforementioned Conference that a universal intergovernmental high level political forum will be established to replace the Commission on Sustainable Development to function under the supervision of ECOSOC (UN, 2012: 13-15).

In order to have a more democratized world order, there are also initiatives to include non-state actors in the national and international decision making processes; one of the suggested models is the "stakeholder democracy" (for example, see Backstrand, 2006). It is argued that democracy is more about deliberation, reasoned argument and public reflection than voting and aggregation (Backstrand, 2006: 475). The above mentioned UN conference has also underscored the importance of the active participation of major groups and other stakeholders in processes of decision making, planning and implementation of policies and programmes for sustainable development (UN, 2012: 6-8).

Although Rodrik argues that globalization is the worldwide extension of capitalism (Rodrik, 2011: 233), it is rather early to foresee it in a multipolar world which is in continuous transition from one phase to another. Even if it is going to be a capitalist world, it is not yet certain which kind of capitalism it is going to be. Is it going to be a mixed economy model at both national and international levels with certain (but efficient and effective) state intervention as Rodrik prefers? Or is it going to be a coordinated market economy like the continental European economies or a liberal market economy like the Anglo-Saxon economies (see Hall and Soskice, 2001)? Or is it going to be a centrally controlled state capitalism as the world has witnessed the economic successes during the recent decades? If it is going to be a democratic one (especially from a welfare point of view see Acemoglu et al, 2012, and also see Akkerman et al, 2007 from the viewpoint of innovation), it

¹³ It is also put forward by Stiglitz that one way of achieving greater global balance is to strengthen the Economic and Social Council at the UN (Stiglitz, 2006: 287).

should be much closer to a coordinated or mixed economy model. However, in a multipolar world with so many problems, the global order, also by taking into account so many non-economy factors might evolve into a system hopefully more democratic but unknown yet.

7. Summary and conclusions

The first global crisis of the 21st century began in the financial sector of the United States and rapidly spread to other sectors and countries in a short while. Eventually, it led to sizeable state intervention. The crisis was basically speeded by financial deregulations and easy money policies. It has been very much apparent in a considerably short period of time that the fundamentals of financial markets were very weak. There was a reluctance among the authorities of the major economies in taking necessary measures despite the fact that many warnings were made. Moreover, the interventions of the political authorities and central banks could not be described as timely, coordinated, and successful at all. Huge amounts of public resources were put into the financial sector in order to clean up the resulting mess.

The recent studies show that a network of transnational corporations adversely affects the global market competition and financial stability. A core which is composed of a relatively small number of firms collectively control a large fraction of the total network. Such a network which is seemingly robust, can go into trouble as a whole because of its vulnerability to contagion as it was seen during the last financial crisis. Hence, the full integration of the financial markets is not desirable.

Regarding the major problem of poverty, The UN Millenium Summit in 2000 has set the development goal of halving the proportion of people suffering from extreme poverty by 2015 compared to 1990 levels. Even though the WB statistics indicate some reduction in poverty, WB's approach to the estimation of global poverty has attracted many serious criticisms which made its estimates quite questionable. ADB has however shown that, actually the number of extremely poor in the developing world excluding Asia increased from 1990 to 2010, even on the basis of World Bank (WB) statistics. Moreover, it was China alone causing the reduction in poverty statistics of Asia. ADB projects that the developing world excluding Asia is not going to be able to halve its 1990 poverty rate until after 2030. The poverty is one of the most important problems of our times, and it is not going to fade away by just arranging the statistics in the desired way. While both income and wealth inequalities have been increasing, the great recession has made the poor much poorer.

Another major area of serious global concern is the climate change. The main cause of the climate change is the increases in anthropogenic greenhouse gas emissions, which have accelerated in the last 40 years. The probable consequences of climate change are to be seen in several forms, but the major results are basically

to be witnessed in global temperature change and global sea level rise. The risks which are expected to be generated by the climate change, are generally greater for disadvantaged people, especially for people living in poverty. International organizations underline the urgent need for a coordinated action at the global scale to avoid the catastrophic consequences of climate change. Although some market based instruments such as emission trading schemes have already been put into action, their short-run environmental effects have been limited; and the multiple market failures call for a mix of policy instruments to cut GHG emissions effectively.

A coordinated action should be taken by the international community in order to plan and implement a policy mix of mitigation and adaptation, such an approach can also create synergies with sustainable development as suggested by major international platforms.

The world population is expected to be close to 10 billion in 2050 and 11 billion in 2100. The share of less developed regions in total world population which is presently 82,5%, is going to be more than 86% in 2050 and just over 88% in 2100. Another underlying trend is the rapid urbanization; the share of urban population in total world population which is at present 54% is expected to rise to 66% in 2050, representing a more than 10 percentage points increase in the next 35 years. Furthermore, not only is the world population ageing quite rapidly, but also the aged population itself is ageing. In sum, the planet earth is going to be much more crowded in the not too distant future with a highly aged population, living mostly in the cities, most of which will be located in the less developed parts of the world. These numbers are huge and require special attention and planning.

Consequently, the overall developments in our planet, require a new economic and social modelling, since economic growth based upon the present market system is rather difficult to achieve especially when it is contemplated together with the problems put forward so far. Many problems including the ones which stemmed from globalization are to be solved through an international cooperation and action at the global level. A new concept, as well as a new framework are required in order to achieve a fair and sound globalization.

First of all, there should be an international economic regime aiming at the well-being of people which is better balanced between the developed and developing countries. A new global order is needed. The new balance of global economic power makes the changes in this direction inevitable.–The emerging markets are demanding a larger role in international platforms and without their cooperation it is not possible to deal with global problems like climate change. There are many indicators showing that there is already a clear power shift in the world. The consolidation of this shift of power from the Atlantic to the Asia-Pacific

region is likely until 2030; However the world is likely to remain multipolar for the foreseeable future.

Although there is still quite a long way to be covered in the direction of a new global order, fair or not, there are some developments not only in conceptual terms but in the form of founding a concrete framework within the current widest and most inclusive global arena, namely the UN. Recently, Rio+20, UN Conference on Sustainable Development of 2012 has underlined the commitment of the international community to achieve a sustained and inclusive economic growth, social development and environmental protection to benefit all for a world which is just, equitable and inclusive. Furthermore, it is underlined that democracy, good governance and the rule of law at both the national and international levels are essential for sustainable development. In order to have a more democratized world order, there are also initiatives to include non-state actors into the national and international decision making processes; one of the suggested models is the "stakeholder democracy".

It is argued that if the new world order is going to be a democratic one, it is more likely to be much closer to a coordinated or mixed economy model. However, in a multipolar world with so many problems, the global order, also by taking into account so many non-economy factors might evolve into a system hopefully more democratic but unknown yet.

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Özet

21. Yüzyılın başında dünya: Küreselleşme, kapitalizm ve sürdürülebilirlik

20. Yüzyılın başlarında, dünyanın karşı karşıya kaldığı iktisadi ve siyasal bunalımlara aranan çözüm, pek çok ülkede, temel araç olarak planlamayı kullanan kamu müdahaleciliğinde bulunmuştur. Yüzyılın sonlarına doğru teknolojideki, özellikle bilişim teknolojilerindeki hızlı gelişmeler, mali piyasaların küresel ölçekte entegrasyonuna yol açmış, uluslararası ticarete hızlı bir artışın yaşanması ve bölgesel entegrasyonların gelişmesi gibi daha pek çok alanda yeni olgular ortaya çıkartmıştır. 1980'ler ve izleyen yıllar, küresel ölçekte bir entegrasyona yönelen kapitalist piyasa ekonomisinin yükselişine tanık olmuştur. Bazılarına göre bu, dünya tarihinde yeni bir aşama, ya da onların deyişiyle "tarihin sonu" olarak görülmüş; küreselleşen kapitalizmin yeryüzündeki tüm sorunları çözeceği beklentisi egemen olmuştur. Piyasa ekonomisinin, iklim değişikliği gibi ciddi olumsuzluklar yaratan pek çok küresel soruna çözüm bulabilmek bir yana bunların nedeni olduğunun fark edilmesi için çok zaman geçmesi gerekmemiştir. 21. Yüzyılın hemen başlarında mali piyasalarda patlak veren ve hızla reel sektöre de yayılarak küreselleşen bunalımla birlikte ortaya çıkan gelişmeler, bir kez daha kapitalist piyasa ekonomisinin sorunların çözümü değil kaynağı olduğunu göstermiştir. Bu çalışmanın amacı, başlıca küresel sorunları, bunların yansımalarını ve gelecekteki olası sonuçlarını analiz etmek ve dünyayı daha yaşanabilir kılmak için gerekli politikaları tartışmaktır.

Anahtar kelimeler: Küreselleşme, piyasa, kriz, sürdürülebilir gelişme, devlet müdahalesi, dünya düzeni.

JEL kodları: F620, F630, F650, J110, P100, P110, P160, Q540.