

среди них: ОАО «БТА Банк», ОАО «Халык Банк Кыргызстан».

В России дела обстоят несколько иначе. Риск ликвидности банковского сектора на 2009 г. можно оценить как умеренный, показатели ликвидности находятся в пределах установленных нормативов.

Подводя итоги, следует отметить, что развитие банковского сектора каждой из анализируемых стран напрямую зависит от макроэкономической и политической ситуации в каждой из них, преодоления негативных последствий глобального финансово-экономического кризиса и совершенствования методов банковского регулирования и надзора, разработки антикризисных программ.

На наш взгляд, дальнейшее совершенствование банковского надзора должно осуществляться на основе риск-ориентированного надзора. Для этого следует придерживаться следующих рекомендаций:

- приблизиться к международным стандартам, разрабатываемым Базельским комитетом по банковскому надзору, как можно бы-

стрее перейти к внедрению в банковской системе Базель III;

- внедрить систему, основанную на контрциклическом регулировании;
- совершенствовать систему раннего реагирования и предупреждения рисков;
- повысить эффективность риск-менеджмента в банковской сфере;
- усилить роль Национального банка как центрального органа, обеспечивающего надзор и регулирующий устойчивость банковской системы.

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THE DOWNSIDE OF GLOBALIZATION

Dr. E. Ekmekchikoglu, Kyrgyz Turkish Manas University,
Department of Economy

Introduction

Globalization is the integration and interaction of people and companies at various locations around the globe. It is the flow of goods and services from North to South, East to West - the worldwide expansion of business. Globalization has brought about an increase in international trade, helped assist with greater global communication, outsourcing, and many other activities we now consider 'the norm' in day-to-day business.

Business magazines and new shows are constantly covering the negative effects globalization has had on the US economy: outsourcing technical jobs to India, moving manufacturing facilities to Asia, skyrocketing unemployment rates and closures all over the country. But what

about the rest (and majority) of the world? Are these jobs that are moving to other countries really helping them? On the surface, the simple answer seems to be yes – jobs equal increased economic activity. Digging deeper reveals a different story, however, where not everyone in these countries is benefiting.

Globalization – The Downside

Globalization, as explained by James Mittelman, is an extensive set of interactions, dialectically integrating and disintegrating economies, politics and societies around the world. Capital is in ascendance, while labor and nationality - the two major identities of the twentieth century – are split into multiple identifiers, including gen-

der, religion, race and ethnicity. Furthermore, the globalization trend offers gains in productivity, technological advances, higher living standards, more jobs, broader access to consumer products at lower cost, widespread dissemination of information and knowledge, reductions in poverty in some parts of the world, and a release from traditional social hierarchies in many countries. However, this is only one side of the globalization coin. The negative effects of globalization processes have had an impact on the situation in the countries that, until quite recently, were still regarded as belonging to The Third World. The main characteristic that is still common to all of them is a high degree of lagging behind the most prosperous countries in terms of amount output of production and its quality, the state of the economic infrastructure, living standards, and the development of civil society and democratic procedures and institutions (Galkin, 2005).

The top layer contributing to these negative effects is the international political scene. Lower developing countries (LCDs) are new to the arena, thus inexperienced and sparsely represented. While increasing calls for the 'multi-stakeholder' global governance are opening many of the doors to these international conferences for elite actors from civil society organizations and developing countries, evidence suggests that they both continue to be 'pawns' in these processes rather than true partners. Specifically, when developing countries and civil society organizations participate in these conferences, there is frequently little significant impact on the outcome of the conference, as represented by a final conference declaration, agreement, or in some cases a formal treaty that does not reflect their desired language or emphasis (Cogburn, Summer, 2005).

To build upon this, there are many differences between the developed (North) and developing (South) countries, as stated by Yakub Halabi. According to him, the differences, even incompatibilities, between the economic and political systems of the North and South make convergence around a similar system of governance almost impossible. The developed countries are characterized by technological innovations, democratic regimes, capitalist economic systems,

high per-capita income, rational decision-making, and transparency. The South is a collection of developing and less-developed countries that are characterized by obsolete institutions that include the commercial banks and central bank (both controlled by the state), inadequate stock markets, and a lack of transparency (a controlled media or dependent judiciary system) making the economies of these states incompatible with the global vision of free markets. In addition, the lack of technological innovation in the South prevents synchronization of the technological regulations between the two regions. In short, the North and South represent different political, social, and economic cultures, which often creates a source of conflict between them.

There is a line of thinking that regards globalization as compression of time and space. In other words, with new technologies that speed transactions and shrink distances, both time barriers and spatial constraints are lessened (Mittleman, 2000). However, as previously stated, the lack of technological innovation is hindering developing nations. They do not have the technologies, resources, or training to equip their populations to utilize this important aspect of the world's economy. This is causing them to fall further and further behind the rest of the world.

In addition to the lack of technology, LCD economies are also at risk because they are dependent upon the rest of the world. Due to the global economic integration, the expected economic slowdown in the US will have huge repercussions for the rest of the world. This is because a major portion of developing country exports is for industrialized countries (Hirono, 2001). So what happens when the market falls out? The IMF dictates that their assistance is predicted on the obligation by borrowing countries to meet repayments by increasing export earnings, attracting foreign investment, decreasing government spending and diminishing social policy in areas such as health care and education. There is considerable controversy over whether this formula alleviates or hampers distressed economies and how the burden is distributed (Mittleman, 2000). They must take their attention (and money) away from internal social programs and focus strictly on boosting the economy,

which could have negative ramifications on health, education, housing and so on – thus leading to possible social unrest and turmoil.

Furthermore, developing countries are characterized by a tough struggle for acceptable conditions for the sale of labor force, fixed labor legislation, legal equality of social partners and democratic institutions and procedures as demonstrated by Alexandr Galkin. Although workers in the lower income LDCs are experiencing greater economic gains (greater employment opportunities), they are not necessarily increasing their bargaining power with employers and, even less likely, with the government. The repercussions may be significant: labor-friendly policies (e.g. higher wages, national welfare programs, employment benefits, political freedoms) will be inconceivable in poor nations undergoing globalization (Rudra, 2005).

Additionally, as the globalization pessimists have charged, the results also indicate that globalization has intensified the surplus labor problems in all but the high-income LCDs. Large populations of low-skilled workers, faced with intense competition from surplus labor, make it extremely difficult for them to overcome collective action problems in the marketplace and subsequently form broader labor alliances (Rudra, 2005). For example, unskilled workers in countries such as Indonesia, Egypt, and Bangladesh earn around \$40 a month and work sixty hours a week. The labor cost per item, such as a shirt or shoe, is less than 10 cents. Yet these items are sold in the North at relatively high local prices, and the corporation captures the profits (Halabi, 2004), not the LCD. Although the global expansion or 'globalization' of those technological, economic, social, cultural, and political forces benefits some members of humanity, it also harms or threatens to harm a large proportion of humanity, particularly the poor and most disadvantaged sectors (Harris & Seid, 2004). Rather than reaping the benefits, portions of the population continue to spiral downward while the rich grow richer.

Just as globalization fosters large structures in the economy (e.g. mega mergers) and the polity (e.g. macro-regions such as the European Union), it also fragments cultures. Large markets and the

diffusion of new norms erode cultures, in some instances fostering particularities and contributing to the formation of multiple identities (Mittleman, 2000). Imported television, movies, music, and products all reflect a new and very different lifestyle that is outside the norms and customs in many countries. This reflects the dark side of globalization: the integration of markets threatens tightly knit communities and sources of solidarity, dilutes local cultures, and portends a loss of control, particularly in very poor countries (Mittleman, 2000).

All these new changes seem removed from what goes on day-to-day in the household. But are they? If both husband and wife are compelled to join the workforce, if a new production system dramatically alters who is at home and who provides childcare, if media broadcast new norms directly into the living room, if toys and clothing, not to mention food, reflect the consumer tastes of other cultures, it would appear that the impact of globalization – including its big structures and heavy processes – on ethics in the earliest years is a matter that must be subject to close scrutiny. If so, the effects of globalization on ethics may then be weighed in terms of political accountability, the incidence of poverty and social welfare policy (Mittleman, 2000).

These new imports are also having a serious effect on traditional forms of labor. Competition from commodities coming from the world market has destroyed previous forms of land tenure and traditional handicrafts underpinning the economic system of the counties in question. This has impoverished the mass of peasants and handicraftsmen. Major cities accumulating millions of destitute rural residents have found themselves within a belt of slums concentrating poverty, epidemics, moral degradation and crime (Galkin, 2005). It has been argued that "from a public health perspective, globalization appears to be a mixed blessing," since certain aspects of global economic and technological developments have enhanced health and life expectancy in many populations (Harris & Seid, 2004). However, much of the population cannot afford to reap the benefits of healthcare. The poverty will continue to add to malnutrition and health problems,

which could lead to epidemics due to the large number of people living in slums.

Crime, as noted above, is also on the rise. There are a growing number of petty crimes as people struggle to make ends meet. Social instability could lead to ascension in violence and murders. But it does not stop there. In the cluster of authority in a globalizing world, the lines of legitimate authority are blurred. This tendency is especially apparent with regard to licit and illicit activities. As in Russia, states are sometimes in league with organized crime, and criminal activities, such as drug trafficking, are becoming globalized (Mittleman, 2000).

The fall of the Southeast Asian economy, which began in 1997, was a result of globalization and a prime example of the negative backlash globalization could cause. The last three decades of the twentieth century were a period of rapid structural change. In the 1970's the international economy consisted of a handful of industrial countries that exported manufactured goods to a multitude of developing countries, which in turn sent abroad their primary products, mainly agricultural commodities and natural resources. By the mid 1990's there were signs of danger in emerging markets. Financial turmoil, the meltdown of stock markets and in some cases (most notably Indonesia) political turbulence struck parts of Asia. The contagion of economic decline threatened other locales: among others, and in different measures, South Africa, Brazil, and Russia. At the turn of the millennium, what had been called 'the Asian crisis' escalated into a possible generator of global instability (Mittleman, 2000). As the US economy dictates much of what happens globally, the recent downturn could be an indicator of what is to come. This will have a devastating impact on LCDs, thus leading to uncertainty and unrest.

Conclusions

The many conferences that make up the international political scene end with a formal agreement or outcome that is supposed to encompass the general consensus of all the participants. However, many representatives from LCDs have yet to voice their opinions. These conferences are costly to travel to and require

much time and planning. First, there is normally a pre-conference one has to travel to which is where many decisions are actually made. The conference itself is often located in a location that is expensive to travel to. Many times delegates have to pick and chose which conferences and meetings they will attend based upon how much funds are available to them. If they cannot go, the country is not represented. In addition, most of the LCD representatives do not have assistants or cabinets to help them research and prepare for these conferences – they must do all the prep work themselves while still performing the daily functions of their positions. The large amount of material they must cover in order to be up to date on all the items on the agenda is extremely time consuming.

The fact that much of the new industries in LCDs are dependent upon other, more developed nations importing their products and services makes them extremely vulnerable to economic downturns. They have no control over what is going on in other countries, so if the market crashes in the United States the stream of funds is going to dry up quickly. This leaves them with few options within their own economic system.

To further complicate the situation, the large international corporations that perform business in developing nations make large profit due to low overhead costs. They pay wages extremely low wages and pocket the rest to pad the bottom line. The lack of labor rights within these countries enables them to take advantage of the situation. This will only continue as unions do not exist in these environments and there is little evidence of any groups forming in the future.

Technology is another aspect that is not helping LCDs. The United States and other developed nations have had a hundred years to integrate today's fast paced computer networks and complex manufacturing facilities into their daily activities as opposed to developing nations who have had these thrown into the mix in the last ten years. This technology is time consuming to learn as well as expensive. Many times only the elite within a country have access to proper methods of learning the necessary skills.

The elite within LCDs are growing richer each day. There are a select few that are improving their gross income, however this percentage is far outweighed by those working low pay jobs or not working at all. Many individuals have lost their source of income, as they were dependent on traditional forms of employment that are no longer needed in their developing nation. There are organizations such as Ten Thousand Villages and Oxfam International that are trying to bring these handiwork crafts to the international market in addition to paying a fair wage. However, this is still not enough and many people are suffering because of it. They are forced to live on minimal / no food, no health care, lack of education and housing – thus exposing them to the many harsh consequences of these living conditions. If an epidemic were to break out in a crowded neighborhood, many people would die because they are simply too poor to take the precautions we as Americans take for granted every day.

The disappearance of these traditional jobs is just the tip of the iceberg on the identity crisis many are facing in LCDs. Just as these countries are exporting new products, imports are entering at lightning speed. With these imports come new values that shock the norms and customs that have been in place for hundreds of years. Many individuals are struggling with what has always been and what is “hip and cool” overseas. It is important for these cultures to protect their identity, or else it will be lost forever.

Summary

At a time of rapid growth in the creation of wealth – there are now 447 billionaires in the world, who own more wealth than the total income of the countries in which the poorest 50 percent of people in the world live – there are still 1.5 billion people living in abject poverty (Short, 1998). It is even more frightening to think that this statistic is continuing to grow. Less developed countries make up the bottom

half of that statistic and the consequences of globalization is a major factor why poverty still exists and is growing in these nations.

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