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## **9. The Society of Knowledge and Globalization: The Lost Steps**

**SUMMARY:** I. Introduction. II. Neoliberalism and Globalization: Twenty Years of the Fall of Berlin Wall. III. A New Strategy of Development: The Reevaluation of Democracy. IV. Civilization and Globalization: The Society of Knowledge. V. Conclusion. Integration and Globalization: An Afternoon on Wall Street, the Lost Steps. VI. Bibliography.

### **I. Introduction**

The civilization crisis is not a random product. It is a losing bet for Western civilization. The global expansion of transnational capital has disrupted all kind of value orders in the postwar world. The existing economic and political system is a real stumbling block that has disrupted all the scales of established orders and values.

In these times, Law tries to become a world legal order. Economy, thanks to Transnational Corporations activity corrodes the stability and maintaining of State. Technology reigns, but it is not governing. Dilemma is about to enter or not to the Society of Knowledge.

Excluded people, I have not a better word to name them, constitutes  $\frac{3}{4}$  of the established system. Democracy-Development equation is far away to become a general formula to solve problems related to common welfare: poverty, misery, inequality and concentration of income and unsafe.

Climate change is presented as a natural effect of civilization crisis. However, it is not possible to consider new technologies as the cause: structural problems like society of commodities allows pollution through planet.

Twentieth Century was about two big orders of things: Peace and War, and Modernity and Development. The book entitled "Life and Destiny" (Grossman) constitutes one of the best explanations and accusations of the totalitarianism. "War and Peace" is a clear representation of the last century dilemmas. "Magic Mountain" raises the fundamental dilemma of technological civilization: the lost of Identity.

Chronological framework in history is an unreal pretension although it is not leave to be a fascinate effort (Kondraieff) also it allows us tracking paths: Renaissance, the emerging of state

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nation in the Early Modern Period, the age of Enlightenment (could be the transition), and the Modern Age with its never finished Modernity<sup>1</sup>.

The question is if to think about these time frame terms is possible when the paths of the Latin America Development are our concern: structural phenomena as urbanization, uneven industrialization, poverty, and so on, are the symptoms of underdevelopment.

Premises and bases that form the Industrial Society, the Postmodern Society, the Society of High Risks or the Society of the Information do not reflect or they are not penetrating into the regional pre-modernity entrances and outs. Therefore analphabetism, lack of culture, obsolete technology, corruption, ineffectiveness, insensateness, the lost of values, and the lost of the way of political parties are still common issues. An Ethic of the everyday is needed.

This preliminary work attempts to take into account the links between Development and Globalization that have as a result a weak and incomplete democracy. This incipient democracy is projected palely into the construction of the Society of Knowledge: The lost steps.

In other words, there is produced loss of the possibility of a regional development, genuine and democratic. I could say that the lost steps are to go back to the sixties decade with the defeat of the model of Industrialization by Import-Substitution; -the forgetfulness of the theses of ECLAC-, the replacement of that so called "development" to favor of the Chicago School ideas and the Consensus Washington (1991). The key or moment-limit goes back to 1968: a "magic year" that was asked the impossible. Every Wall is falling.

The Universality of Reason (J.G. Fichte, 1806), Universality of Human Rights with the 1948<sup>2</sup> Declaration and the Universality of Technology do not transit harmoniously: it is the crossroads of Underdevelopment.

This lack of harmony provokes an uneven and unbalanced development. From Haiti to Canada there is more than a development gap, there is an irreconcilable chasm that is related to structural imbalances. The global crisis that began in September-October 2008 demonstrates this clearly: the wretches of the earth.

In times of multiculturalism is no longer possible to think in an absolute hegemony over Latin America. As if it was a uniform and homogeneous region. Indigenous peoples represent and demand the irruption of new stakeholders into the civil society from the national to the international level: women, migrants, refugees, ethnic minorities.

Transit from an International Law to a Global Law is possible with Globalization<sup>3</sup>.

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<sup>1</sup> Vd. José Alcina and Marisa Calés Bourdet, Eds. *"Hacia una ideología para el siglo XXI. Ante la crisis civilizatoria de nuestro tiempo"*, Barcelona, Akal, 2009.

<sup>2</sup> José Guillermo Vallarta. *"La Protección de los Derechos Humanos. Régimen Internacional"*, México, Ed. Porrúa, 2006; Luis T. Díaz Müller. *"América Latina, Relaciones Internacionales y Derechos Humanos"*, México, Fondo de Cultura Económica, 1991.

<sup>3</sup> Phillip Jessup wrote his "Transnational Law" in the middle of Cold War (Yale, 1956).

## II. Neoliberalism and Globalization: To twenty years of the fall of Berlin Wall

The 9th of November of 1989 at 20 hours, could mark the end of an era and the beginning of the Globalization with "Neoliberal" as its surname.

The Neoliberalism crisis, especially since October of 2008, does not mean necessarily the last, and fatal, for Capitalism: How to replace the system that has governed during the last centuries?.

If future of democracy is represented still as validity for the State-Nation, it is not less true that the crisis of Neoliberalism might be presented as a crisis of the capitalism of postwar: one of the phases of globalization. It results complex to make a controversy over the prevailing of the State-Nation that could represent the end of an era but not of the Capitalism:

*"It is now almost impossible to describe what actually happened in Europe on August 4th, 1914. The days before and after the First World War are separated not as the end of one period and the beginning of another, but as the day before and after an explosion"<sup>4</sup>.*

August the 4<sup>th</sup> of 1914 and November the 9<sup>th</sup> of 1989: with reason, Eric Hobsbawm speaks of a "short century", a century of massacres and genocides: from Sarajevo to Sarajevo, from 1914 – 1989.

In my view, the October 2008 crisis finished the phase Trans - classic neoliberal of the postwar capitalism. To make way for a new scheme of Interventionist Liberalism, somehow portrayed already in the 1929 crisis: it is needed to reread the trilogy of John Dos Pasos.

A good radiography about crisis is exposed by Luciano Tomassini:

*"In recent decades, United States, which financed the reconstruction of Europe and Southeast Asia after Second World War, began to experience cracks in its financial system, in particular as a consequence of a prolonged period of extraordinary economic growth and an excessive spending by the wealthy U.S. citizens, which major costs were financed with loans, particularly for housing"<sup>5</sup>*

In reality, globalization is an authoritarian ideological project, a form to unify a world that breaks itself for the fall in investment and employment: A national model reeling for effects of global and domestic crisis. What an interesting dialectic between national and world! The old thinkers of the school of the dependency should jump for joy. All of them in its two variants: the Structuralist-CEPAL interpretation and the Marxist in the manner of Dos Santos, Faletto, Cardoso, A. Pinto, and others.

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<sup>4</sup> Hanna Arendt. "Los orígenes del totalitarismo. 2. Imperialismo". Madrid. Alianza Editorial. 1982. pág.- 343 y 55.

<sup>5</sup> Luciano Tomassini. "¿Cómo se infló esta burbuja?". Santiago, *Revista Mensaje*, No. 574, Noviembre, 2008, pp. 542-545.

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I could say that the great challenge of globalization is a question of method. In the way each country is linked to the Global System: the degree of competitiveness is the key of the strategy. The absence of capital: technological, human, social, and intellectual investment.

### **III. A new strategy of Development: the revaluation of Democracy.**

The importance that is attributed to Ferdinand Braudel, deserved by the way, focuses on the problem of lack of social subjects involved in Development.

Again, it is raised the size of State as an issue: a sort of "frivolous modernity" would say Fajnyber, cited by Pipitone<sup>6</sup>. It should be noted to what limit, the national-state can be constituted as a "fortress" before the forces of neoliberal globalization. In a deeper tone, this is to be related to the dissolution of individual and collective identities. As the distressing existence that was portrayed by Albert Camus: "The foreigner" (Marcelo Mastroianni).

It is complex to think about a new development strategy in democratic terms. Knowledge expressed in new technologies should be on the basis of this new approach. In particular, it is related to the appropriation, control and use of New Technologies: life, water, climate, living technologies, stem-cells, genetics, robotics, artificial intelligence and communications. The Power of this New Technologies is in parallel with the importance of Intellectual Property.

The Economy of Knowledge and Cognitive Economics is the main topic of the discussion on development in this century. A new strategy for Development is based on new technologies directly related to the democratic regime. However, areas of knowledge that include this relation are scarcely studied: Science and Democracy, Technology and Human Rights. Even there is a new model for Enterprise (Herbert Simon) which emphasizes high-tech companies<sup>7</sup>: discussion on Technological Change proves to be of extreme importance in relation to the Economics of Innovation<sup>8</sup> (Dosi, Nelson, Jasso). To mention, by the way, Neuroeconomics and Neuro-Law, issues that are analyzed in other works.

Hence the importance of context: the military dictatorships were exhausted because they did not economically succeed: without economic success there is no political success. It is a virtuous equation. At an Uchronic plane: what would have happened if the bureaucratic-authoritarian regimes had known spreading richness?. The proposal would be on the contrary, the creation of an International Law State (Richard Falk):

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<sup>6</sup> Ugo Pipitone. "Los laberintos del desarrollo", México Editorial Triana, 1994; Carlos Mateo Balmelli, "Los procesos internos y la globalización", Santiago. *Estudios Internacionales*, Universidad de Chile, October – December, 1996.

<sup>7</sup> Ricardo Viale, Comp., "Las nuevas economías", México, FLACSO, 2008. pp. 14 – 15.

<sup>8</sup> Enrique de la Puerta, Comp., "El Cambio Tecnológico hacia el nuevo milenio" Barcelona, ICARIA, 1992.

*“With such a background, the political challenge that defines this era is the work towards a world order that encourage and sustain ongoing projects of democratization while relegates, to the annals of historical memory, the terrible convulsions of collective violence and genocidal cruelty”.*<sup>9</sup>

The United Nations reform and the positive resolution of the social and economic crisis that began in 2008 are strategic factors in the choice of a new model of the World: Democratize Globalization.

In short, it is about to redefine the Nation-State, making effectively valid the principle of self-determination, to reform the international financial system to assist in the fight against poverty and development, demilitarization of international relations, the problems of War and Peace, the formulation of foreign policies for Development: dynamic change, fair trade, new international architecture, United Nations reform.

#### **IV. Civilization and Globalization: The Society of Knowledge.**

The transition from industrial society to the Knowledge Society can leave many countries on the way: the battle for the acquisition of technological powers.

We are facing a rocky road from imperial unipolarity to multipolarity with Asian dominance<sup>10</sup>. Brazil, India and South Africa as emerging powers: China between the region and the world<sup>11</sup>. The first three countries created the IBSA Dialogue Forum with the Brasilia Declaration of 2003.

This emerging multipolarity: Could lead to the formation of a new Knowledge Society?. In this game, the contradiction arises when is considered bipolarity U.S. - China: as a kind of imperial condominium.

In the case of Brazil, there is talk of peacemaking efforts in the Andean region:

*“Regional policy is based on two main platforms: the South American Community of Nations (CASA) and the Southern Common Market (MERCOSUR), and is focused on actively involved in conflict resolution and crisis of state in Latin America and the Caribbean”*<sup>12</sup>.

In this multipolar scenario, there is the challenge of progress and Latin American regional transit to the Society of Knowledge, Technology Society and Communication Society: the risks of complex systems as the market world, the climate, the financial system, limiting the options Latin

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<sup>9</sup> Richard Falk. *“La globalización depredadora”*, Madrid. Editorial Península. 2007.

<sup>10</sup> Aníbal Pinto. *“Chile, un caso de desarrollo frustrado”*. Santiago, Editorial Universitaria, 1957.

<sup>11</sup> Vd. Luis T. Díaz Müller. *“The Big Money. Mundialización, democracias de mercado y Derechos Humanos”*, México, IJ UNAM, (en proceso de publicación). 2010.

<sup>12</sup> Brantly Womack. *“China, entre la región y el mundo”*, Buenos Aires, *El Debate Político*, Año 4/ Número 6 – 7, octubre de 2007.

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America in its entry into the Society of Knowledge<sup>13</sup>. While the way toward a sort of “*entente cordiale*” is notated: United States and China.

Knowledge Management for Development is one of the greatest challenges to Latin America. Finding competitive advantage means recognition of the importance of intellectual capital, management systems, the nature of foreign policy and its objectives, the social recognition in the government and civil society is given the dominion and control Science and Technology<sup>14</sup>.

In science there is always a moment of perplexity and uncertainty: The raising of the problem. The issue before us: Globalization and Civilization, it makes clear that we face a methodological problem of undeniable profundity: A holistic approach to capture and explain the diversity of the world is required. A deep and abysmal dialectic between Unity and Diversity: the crisis of State – Nation.

The Knowledge Society raises a multiplicity of issues that have to do with Development Strategies: migrants, refugees, minorities, natives, and the poorest people. For not to mention here the multiculturalism issue. It sails, by its absence, the lack of studies and essays on Human Rights in relation to scientific and technological advance: the ownership of genetic resources.

At bottom, the Knowledge Society involves a new conception of the enterprise, technological change, innovation, foreign trade. In the interdependent world of postwar, the issue of inter-connectivity and communication assumes a fundamental role<sup>15</sup>. Changes in economic and social system certainly have much to say in regard to technological development: v. gr. salaries of researchers or the percentage of GDP spent on Science and Technology.

In this transition phase towards a New Civilization or Society of Knowledge (from steam to electricity, the electromechanical to electronic, the car to genome), a paradigm of new technologies, is emerging which allows the Transition towards a Civilization based on nanotechnology: microelectronics, engineering, genetics, robotics, computers, semi-conductors, biotechnology. A new form to learn and live our lives in the world of the 21st Century: but not everyone is invited to the banquet of life.

This transition into the 21st Century is particularly twofold:

- From the Industrial Society to the Society of Knowledge;
- The displacement of global center of gravity toward the Southeast Asia<sup>16</sup>.

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<sup>13</sup> Vd. "La India, el Brasil y Sudáfrica: ¿Potencias emergentes o países en desarrollo?", Buenos Aires, *El Debate Político*, *Op cit.*, pp. 36 – 48.

<sup>14</sup> Vd. Luis T Diaz Müller, “*The Big Money*”, *Op. cit.*, p. 166.

<sup>15</sup> Vd. Joaquín Tres Viladomat. “*Avances y retos de la gestión del conocimiento para el desarrollo*”, In: Giovanna Valenti, Coord., *Ciencia, tecnología e innovación, Hacia una agenda de Política Pública*, México, FLACSO, 2008, pp. 333 and 355.

<sup>16</sup> Vd. Eric Hobsbawm, “*El siglo XXI: el desplazamiento del centro de gravedad mundial*”, In: Ricardo Lagos, Comp. *América Latina: Integración o fragmentación*, Buenos Aires, Edhasa, 2008, pp. 29 y 55.

To conclude this part, I recall that the first Millennium Development Goal of United Nations is to have global poverty. Foreign trade, even with its imbalances, should contribute to an equitable development and the autonomy of most of the population: the poor of Humanity.

Arturo Oropeza writes:

*“Trade brigs and ships, carrying mainly precious metals, minerals and agricultural goods have passed to the levitation train, the ship of atomic energy, the trucking and aircraft, which carry all kinds of goods to any part of earth, in days, not hours in few cases.”<sup>17</sup>*

## **V. Conclusion. Integration and Globalization: An afternoon on Wall Street, the Lost Steps.**

A New Civilization means a new way of living and a new interpretation of reality: the Knowledge Society.

Thomas Pogge writes for making justice to humanity:

*“The importance of this global justice approach goes well beyond philosophy. It is crucial for empower ordinary citizens, especially in developed countries, for they acquire an adequate understanding of their moral situation and their responsibilities.”<sup>18</sup>*

A world of profound transition and of uncertainty: a certain desperateness as José Donoso would written once.

A new Universal Declaration of Human Rights, Citizenship Basic Income, the Banks of the poor, the suspension of payment of foreign debt, foreign trade for development, science and technology as a world heritage site, the transfer of technology to underdeveloped countries, the Tobin Tax rate, are projects that should be entering in the future principles and actions of the Society of Knowledge.

And “the afternoon on Wall Street?”

No, not now, it is another story.-

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<sup>17</sup> Vd. Arturo Oropeza García, Comp., Introducción "El Comercio exterior y la Gestión Aduanal en el Siglo XXI". México, Instituto de Investigaciones Jurídicas, UNAM, August, 2009.

<sup>18</sup> Vd. Thomas Pogge "Hacer Justicia a la humanidad", México, F.C.E, 2009, pág. 63.

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