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Lest anybody think I'm getting soft on the Globalization Institute, I just couldn't let this twaddle slide. Paul Staines writes:

> It should, two centuries after Adam Smith wrote *The Wealth of Nations*, be axiomatic that to alleviate poverty, developing economies need to grow faster, and the poor need to benefit from this growth. Trade can play the key role in reducing poverty, because it boosts economic growth and the poor tend to benefit from that faster growth. Yet this is sometimes disputed by anti-capitalism/anti-globalization fanatics who put their ideological values before the needs of the developing world, caring more about opposing capitalist corporate symbols then raising living standards.

No, it should *not* be axiomatic.

First of all, neoliberals don't even have a clear idea of what "growth" is measuring. I've said it before, but here it is again: A great deal of nominal "growth" probably reflects activity that was formerly unmonetized (in the subsistence, barter or gift economy). As an example, I repeat–once more–the case of British colonial policy in East Africa. The colonial administration evicted the native peasantry from some 20% of the best land in Kenya, and gave it to settlers. At the same time, they imposed a poll tax on the native population to force subsistence farmers into the wage market. I'd guess that the nominal GDP, measured in official currency, probably exploded upwards as a result of that.

Right now Third World cities are similarly being flooded by landless peasants, evicted by landlords acting in collusion with authoritarian governments and Western agribusiness corporations. And they're bidding each other down to almost nothing, competing for sweatshop jobs. Meanwhile, the incomes of the landlords profiting from cash crop agriculture, and of the comprador bourgeoisie getting rich from the sweatshops, are exploding upward. See any parallel?

Conversely, imagine if those same peasants returned to the land that was rightfully theirs, made use of biointensive farming techniques and the kind of intermediate technology that's adapted to decentralized village economies, and met most of their consumption needs bartering in local LETS systems. I'm guessing that official GDP would fall to almost nothing–but the real quality of life would be almost incomparably better.

Second, "trade" as such is neither good nor bad. If there's more of it going on because externalizing the cost side of the ledger on the state makes it artificially profitable, it's bad: it's a form of inefficient, subsidized activity, crowding out more efficient small-scale producers for local markets. If it's genuinely more efficient, even when all costs are fully internalized (as, you know, *Adam Smith* favored), it's a good thing. My own guess is that there'd be a lot less "trade" if all that trade genuinely took place on the free market, instead of on the government teat.

> Whereas anti-globalization zealots are today very much marginalised from the mainstream, a more respectable body of opinion argues that free trade can be economically disruptive and damage livelihoods in the short-term.

This last sentence, if it makes any sense, must assume an unstated minor premise: that "globalization" is equivalent to "free trade." Staines is quite sensible not to make such an assertion explicit, because–as I've already shown–it's utter nonsense.