

The World Economic Major Players*

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Основные игроки мировой экономики**

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It is nowadays well known that globalization can be defined as the gradual disappearance of barriers from all perspectives, that is to say economic, social, human, and industrial, sports, etc. Given that this concept has become the international engine since many years from now, regardless of the analytical point of view, it is of huge importance to answer the following questions: who is driver? In other words, who are the major economic actors in the World? What are their domains of activities and/or interventions? How do they perform their business?

The purpose of this paper is to give a comprehensive picture of the main actors of the globalization phenomenon, as far as economy is concerned. To do that, and because these actors are numerous, we identified three large entities. The first is the world state actors including the states themselves but also the states groups like G8, G20 or BRICS; and the regional communities. The second entity is the institutional global actors like the United Nations, the World Trade Organization, the International Monetary Fund, the World Bank, and the International Criminal Court. The last entity is represented by the non institutional global actors which comprise multinational firms, the diasporas, the media and other actors like churches, non-governmental organizations and other activists. The three categories stand at the core of our analysis.

Key words: globalization, states, states interest groups, international institutions, non-institutional actors.

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Глобализацию можно определить как постепенное исчезновение барьеров со всех точек зрения, а именно экономической, социальной, общечеловеческой, с точки зрения промышленности, спорта и т. д. Данное понятие стало международным механизмом еще задолго до настоящего момента, и крайне важно найти ответ на вопрос: кто управляет этим механизмом? Иными словами, кто является главными экономическими игроками в мире? В каких областях они сосредотачивают свою деятельность и/или в какие сферы осуществляют вмешательство? Как они ведут свои дела?

Цель статьи — составить всеобъемлющую картину основных субъектов феномена глобализации экономики. В силу большого количества таких субъектов мы разделили их на три большие группы. Первая группа — всемирные государственные субъекты — включает сами государства и группы государств, такие как G8, G20 или БРИКС, а также региональные сообщества. Вторая группа — это мировые институциональные субъекты, такие как Организация Объединенных Наций, Всемирная торговая организация, Международный валютный фонд, Всемирный банк и Международный уголовный суд. Третья группа — мировые внеинституциональные субъекты — включает транснациональные компании, диаспоры, средства массовой информации и иные субъекты, такие как церкви, негосударственные организации и др. На этих трех категориях субъектов мы основываем свой анализ.

Ключевые слова: глобализация, государства, заинтересованные группы государств, международные организации, внеинституциональные субъекты.

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** Данная статья является отредактированной версией работы, представленной авторами в ходе круглого стола по теме глобализации экономики 29 июня 2014 г. в Алтайском государственном университете в Барнауле, Россия. Мы хотели бы поблагодарить всех участников за комментарии, которые побудили нас внести изменения в предыдущую версию; спасибо Швакову Евгению, Мамченко Ольге, Чернышову Юрию, Иванову Евгению и Мищенко Инне.

Introduction. The term “globalization” is created to express both the internationalisation of goods markets and inputs, and the appearance of industrial firms that are capable of thinking their development from a world perspective while deploying global production, trade and management strategies [1]. In this regard, it triggers global integration, which is said to be its ultimate phase, that is, its worldwide phase.

Characterised by a dissolving dynamics of the particular entities that are conducive to the emergence of both a world-state and a “meta-market” [2], globalization has acquired a completely new paradigm that is being largely investigated in order to grasp what it hauls in terms of threats, progress and opportunities [3–5].

But it is worth stressing that globalization as a prodigious development of exchanges, coupled with major improvements in communication — not only at the national level but globally, through fast-evolving ICTs [6, 7] — has given rise to new world actors whose role is increasingly important at the political, commercial and even cultural levels.

Such global actors include all instituted organisations that aim to define, influence or change the way economic, social and geopolitical connections get structured in the world. To this effect and by definition, a global player is therefore “a stakeholder who takes an action through an interaction process between different stakeholders and which entails some intentionality”, as the Scientific Group for the Study of Globalization and Development [8] put it.

The increase in exchanges goes in parallel with a greater intensity of the networks linking the actors, and as a result, a new definition of geography and space becomes necessary to all societies. These world stakeholders are numerous, but they can be regrouped into three large entities: world state actors; institutional global actors; and non institutional global actors. The three categories stand at the core of our analysis.

I. World state actors. There are three main state actors, namely the states, the state interest groups, and the regional communities.

I.1. The States. The first world players include states, which are constituted nations ready to defend their peoples and improve their own well-being. Their actions are commensurate with globalization as they resort to trade, international relations, diplomacy, multifaceted exchanges, membership with international organisations, currency, sport and culture, etc.

After including South Sudan and excluding Vatican (entity with an observer’s status), Kosovo, Palestine, Taiwan and Western Sahara, the UN (United Nation) has 194 member countries. These countries have concluded thousands of memoranda of understanding which turn de facto the world into a gigantic spider’s web entwining states sometimes irrespective of their disparities.

I.2. The State Interest Groups. State interest groups are groups that are more or less informally or-

ganised, but with a significant influence over the evolution of the world. Such groups include the G8, the G20, the BRICS (alongside many others like the Cairns Group, the G33, the G90, etc.). We are more interested in the first three, namely the G8, the G20 and the BRICS.

(a) The first called G6, then G7, the G8 was created in 1975 on French President Valérie Giscard d’Estaing’s initiative. It is an annual summit bringing together heads of state and government (G6 at the onset in 1975 — USA, France, Japan, Germany, UK, Italy — Canada came in 1976 (G7), followed by Russia in 1998 (G8), all of them being the richest countries of the world. The G8 accounts for 13 per cent of the world population, but 60 per cent of world GDP. China is still excluded from G8, despite its GDP is higher than that of all G8 members except the USA (diagram 1).

(b) The G20 was created in December 1999 following the financial crisis of the 1990s. It is a forum aimed at promoting policy dialogue between the industrialised countries and the emerging countries, on international monetary and financial matters. It accounts for the two-thirds of world trade and population, and 90 per cent of world GDP.

The G20 is made of Ministers of Finance and governors of central banks of 19 countries, namely those of the G8 plus 11 countries — Argentina, Australia, Brazil, China, India, Indonesia, Republic of Korea, South Africa, and Turkey — and the European Union (EU). More political than economic, the G20 does not represent the 20 richest countries of the world, as it excludes Spain (8th), the Netherlands (16th), Poland (18th), and Belgium (20th) (diagram 2).

In November 2008, for the first time, the heads of state met in lieu of ministers.

(c) The acronym BRICS was created in the early 2000s by Jim O’Neill [9], economist at the Goldman Sachs Bank; an S was then added to it as a result of South Africa’s membership in 2010. The BRICS account for 42 per cent of world population, 20 per cent of world GDP (nearly 10 per cent for China only), 42 per cent of foreign exchange reserves, etc. They are often referred to as emerging countries, but they currently appear mostly as emerged countries, the other states with high growth and development potential being rather called emerging countries [10; 11] (diagram 3).

I.3. The Regional Communities (RCs). The RCs are organisations made of countries linked by regional economic agreements ahead of regional integration, de jure or de facto: EU, NAFTA, MERCOSUR, CIS, etc. [5] (diagram 4).

The figure above shows a good number of CRs, as well as some international stakeholders.

In Africa, the Abuja Treaty (Nigeria) divides the continent into five regions — Northern Africa, West Africa, Central Africa, East Africa, and Southern Africa — the objective being the creation of the African Economic

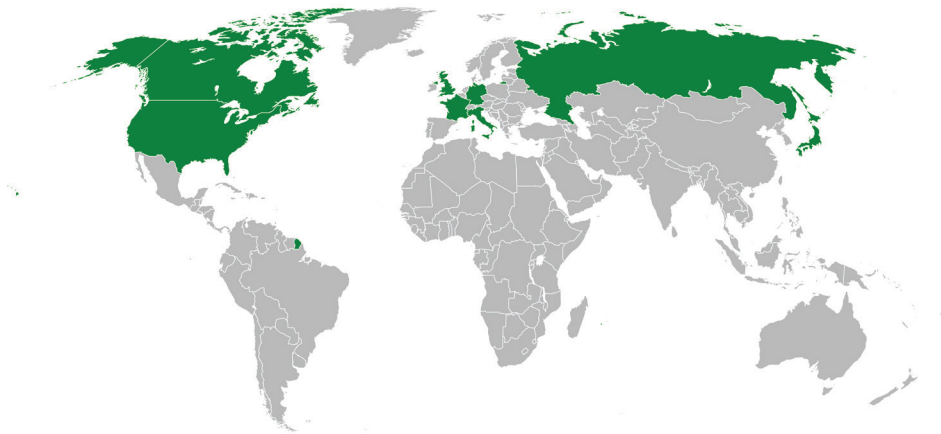


Diagram 1. The G8 Map¹

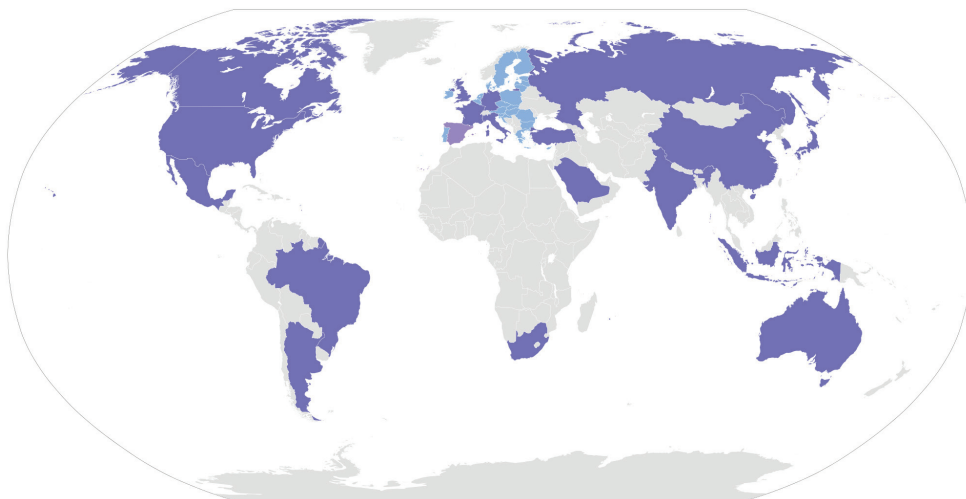


Diagram 2. The G20 Map

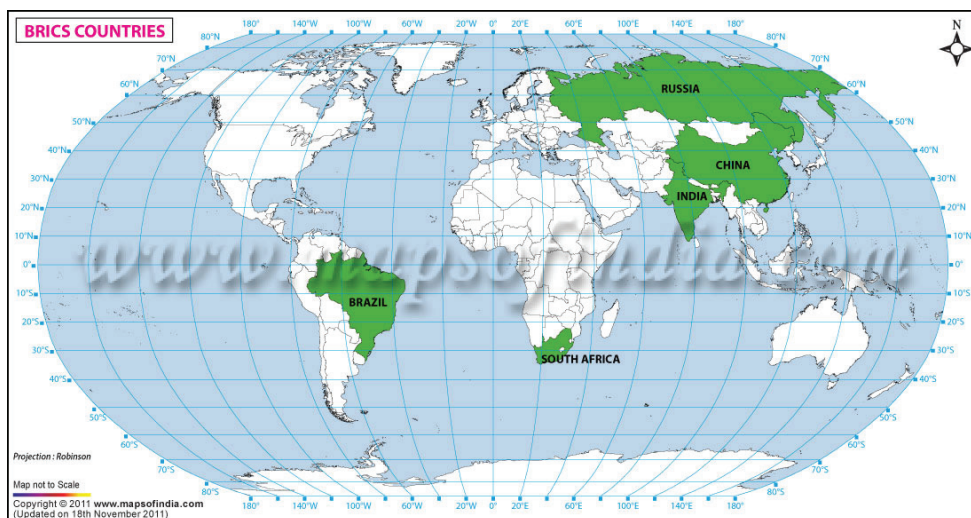


Diagram 3. The BRICS Map

¹ Unless otherwise specified, all diagrams come from Wikipedia.

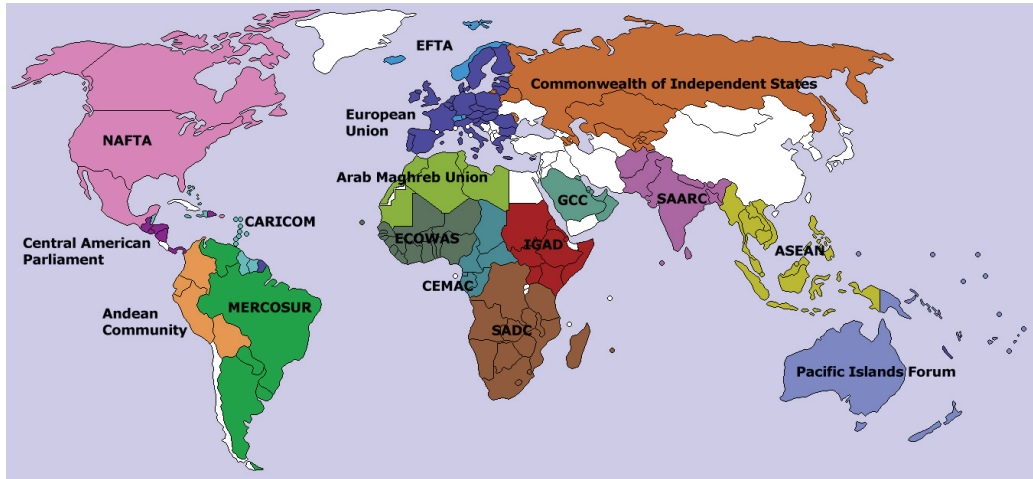


Diagram 4. An overview of RECs in the world

Community. But instead of having five Regional Economic Communities (RECs), there are currently 14, because each region has 3 or 4 RECs on average [12].

II. The institutional actors with governmental status. There are five major institutional actors with governmental status: UN, WTO, IMF, World Bank, and ICC.

II.1. The United Nations (UN). The UN was founded in 1945 following World War II, replacing the League of Nations and aiming to resolve conflicts while offering a platform for dialogue. It embodies several organs in order to better achieve its missions. The UN brings together almost all nations of the world. What matters within the UN system is rather the notion of state and not that of nation (diagram 5).

The United Nations is an international organisation that is different from its member states. It aims at preserving international peace. To this effect, it seeks to facilitate cooperation in areas such as international law, economic development, international security, social development, human rights, and eventually international peace.

For example, in 2010–2011 the budget of the United Nations was EUR 5 billion according to the funding structuring in the table 1.

II.2. The WTO. The World Trade Organization (WTO) stemmed from the ashes of the General Agreement on Tariffs and Trade (GATT), following agreements negotiated and signed in April 1944 in Marrakesh, Morocco, by the majority of the international commercial powers, and then ratified by their respective Parliaments. The objective of WTO is to organise the rules governing international trade between different countries. Its ultimate goal is to enhance commercial openness (diagram 6).

To this end, WTO manages to reduce obstacles to free trade, to help governments resolve their commercial conflicts and assist exporters, importers and producers of goods and services. WTO is responsible for: (i) the trading of goods (GATT 1947/1995/dumping/sub-

Table 1

The UN funding structure.

Country	Share in the funding (2005), %
USA	22
Japan	19,5
Germany	8,6
France	6,5
United Kingdom	6,1
Italy	4,9
Canada	2,8
Spain	2,5
China	2
South Korea	1,8

sidies/health measures/etc.), (ii) services (AGCS according to four modes/telecommunications/offered on the spot/owing to investments/owing to movements without investing), (iii) agricultural products (ASA) and industrial products, and (iv) intellectual property — aspects related to trade (ADPIC).

There are the so-called “multilateral” agreements in specific areas, and only a few countries are concerned with them. In particular, they include civil aircraft (Boeing, Airbus, Embraer, Bombardier, etc.) and public procurements. The trade of dairy products and beef is politically sensitive and is yet to be regulated by WTO (chart 1).

WTO has three fundamental principles, namely: (i) non-discriminatory trade — most-favoured-country clause (NPF treatment), and “national treatment”; (ii) foreseeable, increased access to markets — tariff protection and consolidation; and (iii) promoting fair competition — conflicts resolution procedure, conditional protection (antidumping).

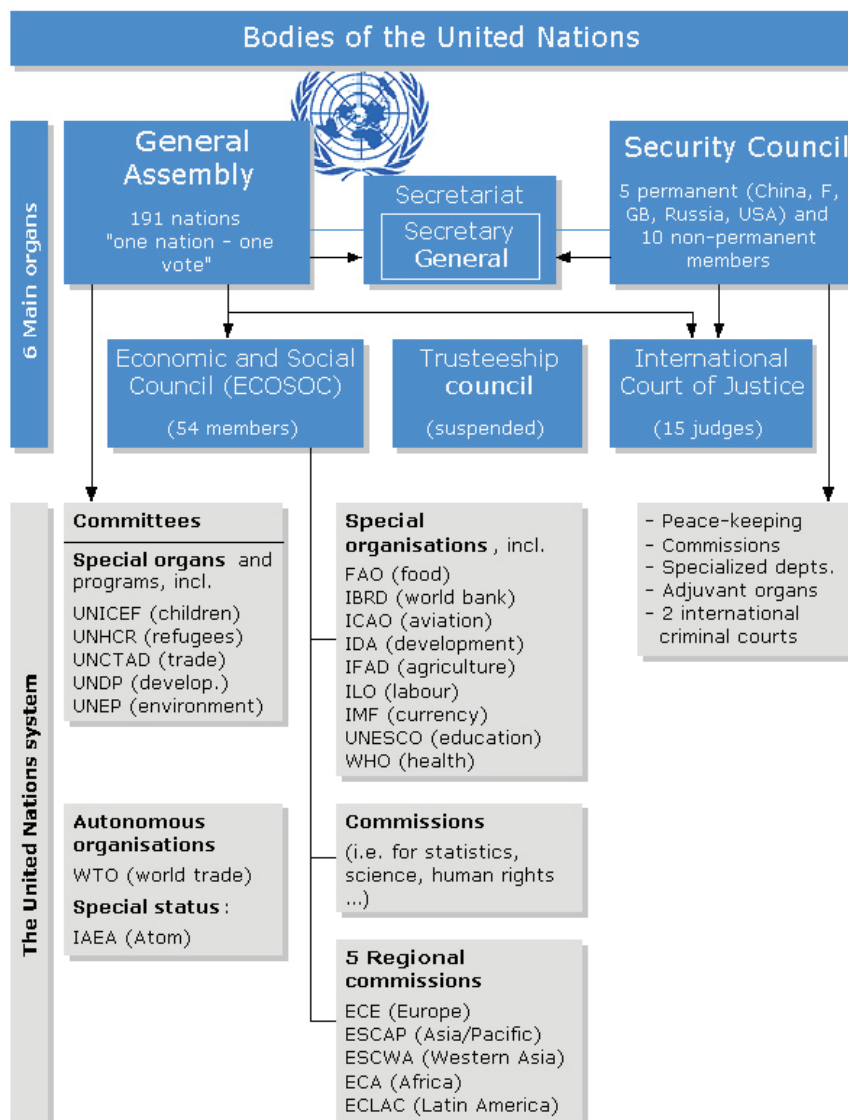


Diagram 5. Functioning of the UN

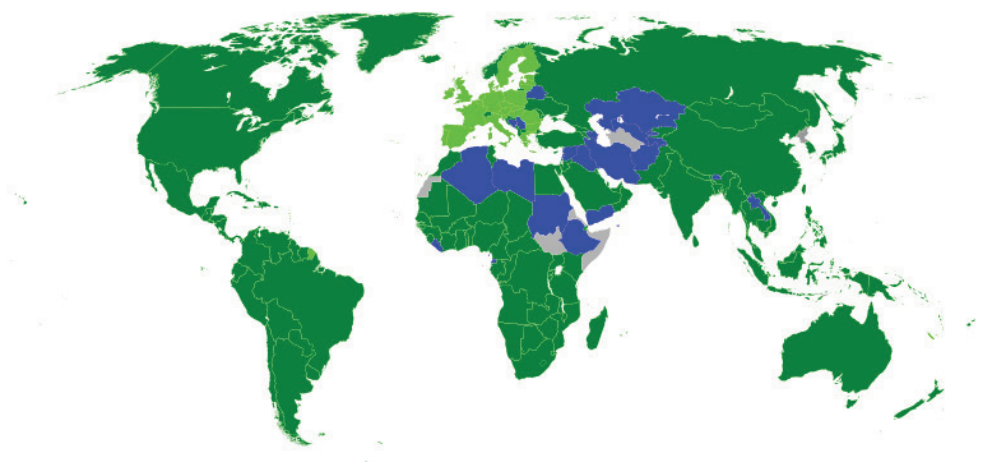


Diagram 6. Map indicating WTO members

Note: Dark grey colour — members; Light grey — both WTO and EU members; Black — observers

WTO came off best in some areas:

— The average level of rights globally plummeted from 40 per cent to nearly 3 per cent, thereby increasing the volume of exchanges;

— The increase in world exports is also edifying: between 1950 and 2008, world exports were multiplied by 27 in value, while the world GDP rose 8 times;

— Moreover, trade was strongly stimulated as it evolves much faster than the production itself — see the following chart 2.

II.3. The IMF. Then International Monetary Fund has 186 member countries. Its headquarters is in Washington D. C., USA. The governing bodies of the institution are the Board of Governors, the International Monetary and Financial Committee, and the Board of Directors. As of tradition, its Managing Director is a European, the incumbent being the Frenchwoman

Christine Lagarde, with a net annual salary of US \$495,000. She leads some 2,635 staff members from 143 nationalities.

The IMF has four main functions: control, financial aid, technical assistance, and the stability of the international financial system.

The governing bodies of the IMF are:

— The Board of Governors: Ministers of Finance or governors; annual meeting of the IMF and the World Bank;

— The International Monetary and Financial Committee: 24 governors representing the countries or groups of countries participating in the Board of Directors. This Committee meets twice yearly;

— The Board of Directors: 24 administrators representing 184 member countries of the Fund. Their mission is to deal with current business (3 official sessions

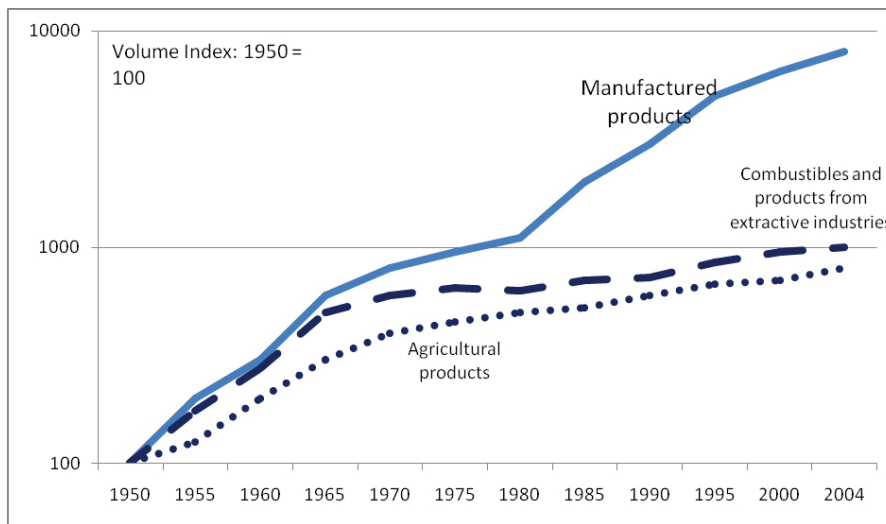


Chart 1. Evolution of global production

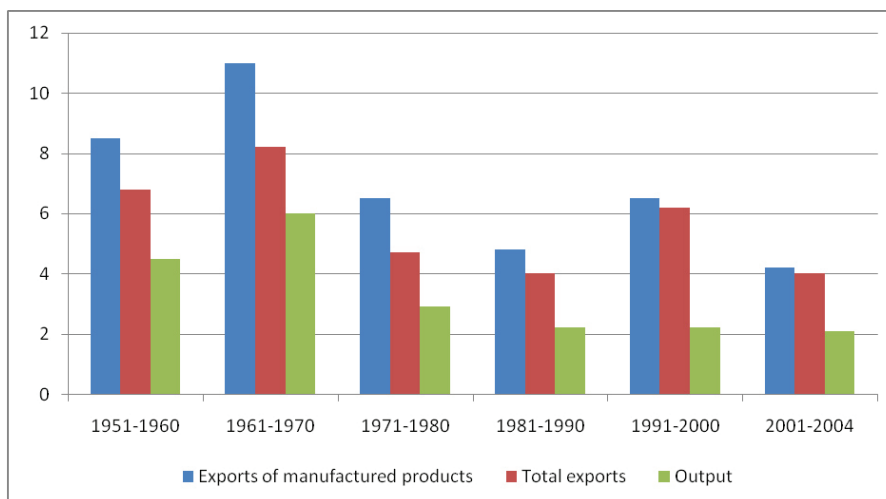


Chart 2. Comparison between exports and production

per week). (Each of the following countries is represented by eight administrators: China, France, Germany, Japan, Russia, Saudi Arabia, UK and USA.

— The Managing Director is a director of services and presides over the Board of Directors which appoints him/her.

The IMF operates on the basis of a quota system, which determines the total voting power of each member. At first, each member has a total voting power of 250, to which a supplementary vote is added for each portion of quota worth SDR 100,000. The USA have 371,743 votes, that is, 16,77 per cent of the total voting power, against 32 per cent for the EU (with 4,2 per cent for France and the UK), etc. (chart 3).

Concerning the access to funding, the quota determines the volume of aid that a country can have, that is, up to 100 per cent of its annual quota and 300 per cent in aggregate. However, any amendment of quotas has to be approved by a majority of 85 per cent of votes, and this gives the USA an indefeasible veto right.

The quotas are initially attributed following membership with the Fund, based on the quotas of countries with comparable status. The quota is calculated as an average weighted in proportion to the GDP (50 per cent), the degree of openness (30 per cent), economic fluctuations (15 per cent) and the official foreign reserves (5 per cent). The quota is issued in SDRs, which is the unit of account of the Fund (but discharged by 25 per cent

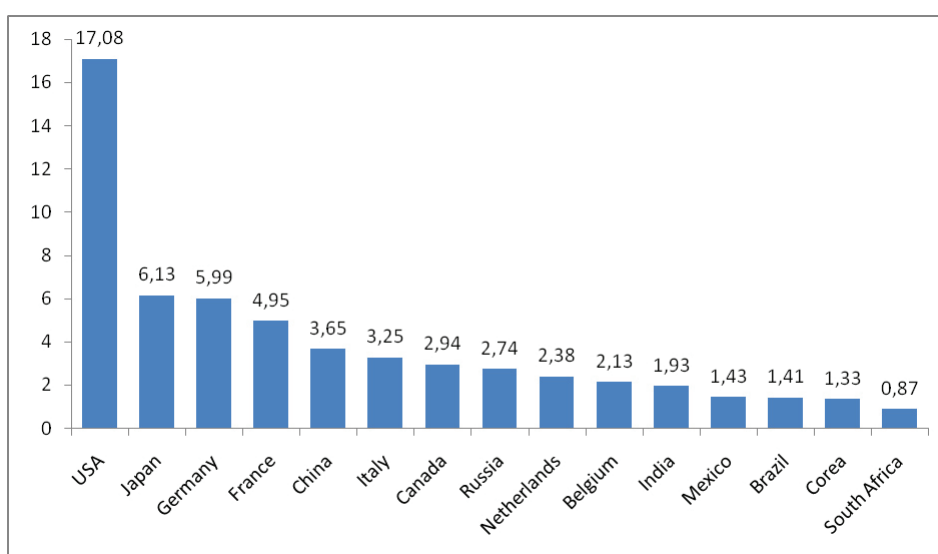


Chart 3. Distribution of quotas within the IMF

in SDRs or in currency, and by 75 per cent in local currency), and it determines the amount of financial resources expected from the country (SDR1 = \$ 1.43).

II.4. The World Bank. Since 2007 the term “World Bank Group” is the legal name for the 5 institutions making the group: (i) the International Bank for Reconstruction and Development (IBRD), (ii) the International Development Association (IDA), (iii) the International Financial Corporation (IFC), (iv) the Multilateral Investment Guarantee Agency (MIGA), and (v) the International Centre for the Settlement of Investment Disputes (ICSID).

The Board of Governors of the World Bank is the same as for the IMF, with the aforementioned 24 administrators — France, Germany, Japan, the United Kingdom + 19 elected members. The Managing Director is traditionally a North-American (the incumbent is Jim Yong Kim). The Bank has 186 member states, some 10,000 employees, 8,000 of whom are in Washington.

The objectives of the World Bank have changed over-time: (i) at first, the objective was to reconstruct Europe and Japan; (ii) with the colonisation, the issue of lending to developing countries for accelerating their development was ushered in; (iii) today, the Bank has a holistic objective — fighting against poverty by sustaining education, agriculture, and the access to basic needs (water, electricity, etc.).

The World Bank set forth two major conditionalities: (i) a country must be FMI member to be able to affiliate to the Bank; (ii) to become a member of IDA, IFC and MIGA, a country must first be a member of the IBRD.

The World Bank issues different types of credit. To the private sector, credits are granted with “low” interest rates. However, the IFC grants credits to the private sector, while IDA issues concessional loans or grants (with commissions but no interests); the IBRD lends on financial markets with low interest rates, and makes sure the coun-

tries without access to these markets or with access in unfavourable conditions take advantage of them. This gives the following table 2.

Table 2
Various loans offered by the World Bank

	Public	Private
Non concessional	IBRD	IFC
Concessional	IDA	-

Note: Concessional loan — with an interest rate lower than the market rate, the difference being considered a grant.

II.5. The ICC. The International Criminal Court (ICC) is a standing jurisdiction responsible for judging those accused of genocide, crime against humanity and war crime. The Rome Statute setting out the ICC was signed on 18th July 1998, but the institution is officially considered to have been created on 1st July 2002, when the Rome Statute became effective. The official headquarters of the ICC is in the Hague, The Netherlands, but the proceedings may take place anywhere (diagram 7).

In April 2012, 121 states out of 194 recognised the Rome Statute ratified by the UN and endorsed the authority of the ICC. Russia and the USA as well as 30 other states signed the Rome Statute, but did not ratify it. Others like China and India have been criticising the Court, and have not signed the Statute.

In principle, the ICC can exercise its jurisdiction when a person indicted is a citizen of a member state, or when the supposed crime has been committed on the territory of a member state, or when a matter is being transferred to the Court by the Security Council of the United Nations. The Court is designed to supplement national jurisdictions — it cannot exercise its jurisdiction when national jurisdictions are not willing to or have the authority to dispose of such crimes. It is therefore incumbent upon the states to investigate and dispose of such crimes.

III. Non institutional world actors. Four major non institutional actors can be examined: Multinational Firms, Diasporas, media and social players in the world (NGOs, churches, anti-globalization activists, eco-warriors, etc.).

III.1. The Multinationals. A Multinational Firm is a company that produces economic impacts in several countries. Its shareholders are not necessary from a single country, and it has branches in several countries [13].

The multinationalization of a firm depends on five major determinants: (i) the search for a direct access to raw materials; (ii) the need to get round certain obstacles to trade. This includes for instance producing in a market where the product will be consumed in order to avoid customs tariffs to imports; (iii) the search for external markets as a result of more competition in the domestic market; (iv) the loss of a technological advantage in the domestic market may lead firms to produce it abroad and at a low cost; and (v) the quest for lower labour costs.

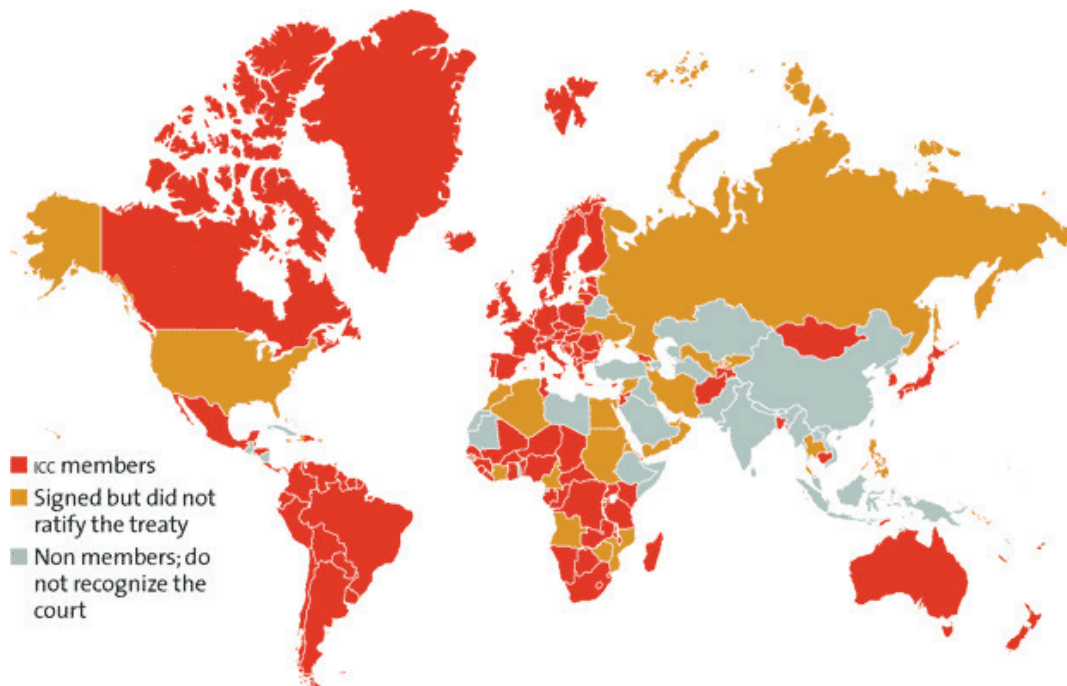


Diagram 7. The ICC in the world

A multinational is very often a large firm which, from a national base, has created branches in several countries, with a strategy and organisation designed in a global perspective. Multinationals have capital, assets and extremely flexible technologies; they think globally and are not specifically loyal to whatsoever. They take their decisions based on issues of scale economy, fiscal policy and repatriation of profits. They are legal entities governed by private law and operating in several countries, but with a unique decision centre (or a main decision centre).

To grasp their scale, while exploring the 2007 Orbis data, that records 37 million firms and investors around the world [14], retrieved 43,060 multinationals, as well as the equity participations linking them. This study shows that such multinationals control over others through shareholding networks, and associate these figures with the turnover of each of them, in order to define the structure of their economic power. A core of 1,318 firms linked by cross-equity investments has been made, representing 20 per cent the world turnover and holding collectively the majority of the largest enterprises and production firms in the world, equivalent to 60 per cent of the world turnover. Further, this study reveals the existence of a “super entity” made of 147 multinationals even more interconnected — the overall capital of each of them being held by other members of the entity — which controls over 40 per cent of the world riches. In other words, 0,7 per cent of the firms in the world have control over 80 per cent of riches. Examples: Barclays, Toyota, General Motors, Exxon Mobile, Total, BNP Paribas, JPMorgan Chase and Goldman Sachs, etc.

III.2. The Diasporas. The Diasporas are made of migrants settled in countries other than theirs. The influence is achieved through remittances, which are visibly more stable than the flows of private capital.

From US \$2 billion in 1970, remittances have surged to \$72.3 billion in 2001, \$88 billion in 2002, over \$100 billion in 2003, and \$328 billion in 2008. Such flows are far more important than the Official Development Assistance (ODA). Take the case of Cape Verde: remittances = \$150 per year and per inhabitant [15; 16] (table 3).

III.3. The Media. Communication means can be critical to globalization dynamics. Promoters and carriers of mass culture, media — written (newspapers, journals) and audio-visual (radio, TV) — have been and keep being indispensable actors in the diffusion of culture and in the structuring markets and cultural products. Pour these like for the promotion of an ideology, the dissemination of power, the diffusion and even the distortion of truth, nothing of such importance is possible without media plans and without a successful mediatisation.

Table 3

Overview of the level of remittances (2010)

Country	Remittances, official figures, % of GDP
Lesotho	26,3
Comoros	21,2
Morocco	9,6
Uganda	8,5
Sudan	5,9
Tunisia	4,6
Swaziland	4,2
Mozambique	3,4
Egypt	3,0
Sao Tome & Principe	1,3
Côte d’Ivoire	1,0

The “diktat” of media can be decisive, and in some cases it can even require a regulatory intervention of the government. Examples: AOL Time Warner, Lagardère, Bertelsmann, Sony, etc., with channels such as CNN, BBC, NHK, TF1, etc.

III.4. The World Social Actors (NGOs, Churches, Anti-globalization Activists, Eco-Warriors, etc.) World social actors are increasingly becoming important channels for a global policy, in particular as regards the sensitisation of eco-warriors (Greenpeace), as well as for a worldwide revolt (Occupy Wall Street, anti-globalization movements, social fora, etc.).

Alongside these movements, there is a religious demonstration led by churches with international ambitions (Jehovah’s Witnesses, “awoken” evangelists, Christian charismatic movement, etc.). This religious wave spread the ideals of universal peace, which unfortunately does not depart from disputes fuelled by a veritable congenital, evangelical persuasiveness of the organisations concerned.

Conclusion. Globalization is a phenomenon that is largely investigated and documented, because it ushers in a strong dynamics for global macro-integration and in-depth changes in the global output and operating systems. However, we have to admit that the players in this process have not been typically systematised.

Therefore, this paper aimed at proposing a review of the main world actors behind globalization. The search for systematisation enabled us to set out three types of major actors: governmental actors, institutional actors with governmental status, and non institutional actors.

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