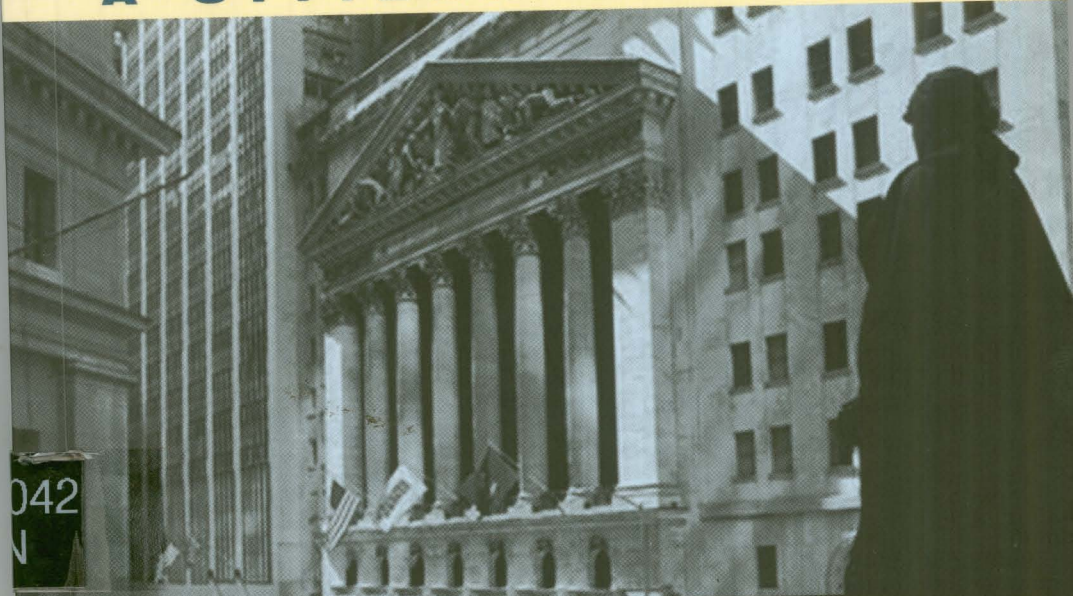


THE GLOBALISATION OF **FINANCE**

A CITIZEN'S GUIDE



K A V A L J I T S I N G H

THE GLOBALISATION OF FINANCE: A CITIZEN'S GUIDE

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Contents

<i>Acronyms</i>	<i>viii</i>
<i>Data Notes</i>	<i>ix</i>
<i>Acknowledgements</i>	<i>x</i>
<i>Preface</i>	<i>xi</i>
Part I: Global Finance: An Introduction	1
1. Globalisation: A New Phenomenon?	3
2. Trends in Global Financial Flows	13
3. The Key Players	24
4. Financial Instruments	30
Part II: Recent Financial Crises in Developing Countries: Experiences and Lessons	43
5. Collapse of a 'Model': The Mexican Financial Crisis	45
6. The Southeast Asian Currency Turmoil: The case of Thailand	63
7. Contagion Effect on South Korea, Indonesia, Malaysia and Philippines	81
8. Private Profits, Public Losses: The Great Asian Bailout Programme	95
9. Will India go the Southeast Asian way?	115
Part III: Policy Implications and Interventions	137
10. Emerging Economic and Political Issues	139
11. Cooling Hot Money: The Need for Capital Controls	146
12. Resources for Action	161
<i>Annexes</i>	<i>173</i>

List of Boxes

1.1	Globalisation: Old and New	5-6
1.2	The Money Business	8
1.3	Dollar, Dollar, Everywhere...	9
1.4	The World of Currency	10
2.1	FDI and PI: A Comparison	18
2.2	Stock Trading round the Clock	20
2.3	Capital Flight	22
4.1	Bond Ratings	33
4.2	World Bank and ADB: Lenders or Borrowers?	34
4.3	What is Sensex?	37
5.1	The Mexican Debt Crisis	47
5.2	Chronology of Mexican Crisis	48-49
5.3	“Lack of Economic and Political Democracy Behind Rebellion in Chiapas”	51
5.4	“The Mexican Model was Never Free Market”	54-55
5.5	Some Facts on the Failed Mexican Model	58
6.1	The Thai and Mexican Crises: A Comparison	64
6.2	Winners and Losers	72
6.3	“Don't Interfere with our Economy and Politics”	78
7.1	The IMF Dictionary	85
7.2	Chronology of South Korean Crisis	86
7.3	Chronology of Indonesian Crisis	87
7.4	Chronology of Malaysian Crisis	91
8.1	“The IMF is a UFO”	103
8.2	Growing Suicide Fever in South Korea	111
9.1	Forex Reserves: Adequate Enough?	122
9.2	UBS largest FII in Indian Debt Market	125
9.3	When ‘Blue-eyed Boys’ went Jobless	127
9.4	FIIs and GDRs: Nothing ‘Unethical’ about it!	128
9.5	The Securities and Exchange Board of India	130
9.6	The Deregulation of Capital Flows in 1997	131
9.7	What is Capital Account Convertibility?	133
11.1	Capital Controls in Developing Countries	153

- 11.2 Main Policy Responses to Capital Inflows 1988-95
11.3 The Central Banking System
11.4 Exchange Rate Systems
11.5 BIS and IOSCO
12.1 Campaign Against Narmada Bonds

List of Tables

- 1.1 Foreign Exchange Trading
2.1 Financial Flows to Developing Countries
2.2 Net Private Capital Flows to Developing Countries
3.1 World's Top Fund Managers
3.2 Top Mutual Fund Managers in U.S.
3.3 Major International Fund Management/Bank Mergers
4.1 International Bond Issues in 1997
6.1 International Bank Lending to Thailand
7.1 Depreciation of Major Southeast Asian Currencies
7.2 International Bank Lending to Asia
7.3 International Bank Lending to East Asia
7.4 International Bank Lending to Indonesia
7.5 Price Shock
8.1 The Costs of Bailouts
9.1 FDI and PI in India
9.2 The Top Ten Euroentrants
9.3 Top FIIs in India

Preface

"I understand the globalisation of capital in production, but I don't understand the globalisation of capital as finance... I also find it extremely difficult to follow the financial terms and even financial pages of a newspaper....," a leading social activist involved in anti-TNCs campaigns in India told me last year, while discussing the Southeast Asian currency crisis. Her impressions are echoed by a number of other social activists and groups in India and elsewhere with whom I have had the opportunities to interact. Very few will disagree with the fact that in recent years there has been a significant trend of globalisation of capital in the form of finance rather than in production. Given the fact that there is hardly any book or other publication available which is written for non-specialist readers, I have taken the initiative to bring out a popular guide on this important theme. In fact, this guide is in continuation with an earlier publication that deals with FDI-related financial flows, especially in the Indian context, *TNCs and India: An Activists' Guide to Research and Campaign on Transnational Corporations* (with Jed Greer, PIRG, 1995).

This book aims at providing a simple guide to understand the language and world of finance. Part I introduces the concepts and aspects of global finance, while Part II deals with the recent experiences of developing countries with global finance capital. India's experience with such financial flows is also discussed here. The concluding section looks into the economic and political implications as well as the need for regulation and control of such flows. Finally, some campaign tools and strategies as well as information sources for further research and action are also provided for the interested readers.

In the words of Noam Chomsky, "Books can be either mere entertainment or useful tools in changing the world." This guide is intended as a tool to understand the complex set of issues related to globalisation of finance and its consequences. I further hope that it will serve as a catalysing factor for wider citizen participation in campaigns launched by many NGOs, labour unions and political groups.