

Globalization, Ideology, and Narratives of the East Asian Financial Crisis

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**Ezra Yoo-Hyeok Lee, "Globalization, Ideology, and Narratives**  
**of the East Asian Financial Crisis"**

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**Abstract:** In his paper, "Globalization, Ideology, and Narratives of the East Asian Financial Crisis," Ezra Yoo-Hyeok Lee analyzes the narratives of the East Asian financial "crisis" in 1997-98, arguing that it took place in the course of restructuring the world economy so that the first world would keep its hegemonic power. The East Asian financial crisis spread rapidly to the rest of the globe and in this urgent situation, the IMF: International Monetary Fund played its now typical role as a "savior of the world." Before the financial crisis, the East Asian economy was considered to be an exemplary model from which Western countries could learn. But after the financial crisis, in the course of "saving" East Asian countries, the IMF produced a completely different discourse that was readily accepted in the West. The IMF claimed that the lack of the "transparency" and cronyism of the East Asian economy were the main causes of the financial crisis in the region. The IMF then began to "restructure" the East Asian economy that had already been structured over the last three decades according to the Western "standard" without considering carefully enough the impact on the lived experience of East Asian people. Lee examines how the IMF constructs a new Orientalism in order to rationalize its harsh cure for the East Asian financial crisis and attempts to unmask the doubleness of the Western economy, particularly the American economy, by analyzing how the discourse of "transparency" is applied differently to its own economic problems, as, for instance, in the case of Enron.

**Ezra Yoo-Hyeok LEE**

### **Globalization, Ideology, and Narratives of the East Asian Financial Crisis**

Over the past decade, we have been witnessing that the world really is "globalized," by which I mean that the local and the global are interconnected dynamically. This sense of globalization has emerged as the primary one described by most commentators as, for instance, "the compression of the world and the intensification of the consciousness of the world as a whole" (Robertson 8) or "the intensification of world-wide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa" (Giddens 64). The effects of such recent events as the Gulf Wars, SARS (Severe Acute Respiratory Syndrome), and regional economic crisis are no longer confined to local levels; they have an instant and strong impact on the rest of the globe. We can compare the current state of the globe to a web, indeed, the world wide web. On the one hand, it appears that globalization is a linear process toward a destination, a global village evoking a homogenization that implicates a rosy future, under the powerful influence of the first world. On the other hand, there are fierce resistances -- which are often called "anti-globalization" -- from the third world and even within the first world -- for instance, at sizable demonstrations in Seattle, Washington D.C., Genova, Quebec City, etc. It is thus more accurate to say that globalization is a dynamic phenomenon in which global unification (or homogenization) and local resistances (or heterogenization) take place simultaneously. In this regard, the globe can be compared to the global coliseum where a "meeting and clash" between the first world and the third world takes place simultaneously and dynamically. It is gloomy, however, to see that in such a fierce battle on a global level, social Darwinism -- the principle of the survival of the fittest -- is exercised mercilessly. On the one hand, the weakest and poorest are mistreated and exploited thoroughly; on the other hand, the privileged few are more privileged and benefited. In the process, the first world disguises its real intention by re-producing an ideological discourse such as Orientalism, in a different fashion yet not completely unfamiliarly, in order to re-structure the world economically as well as politically and culturally, seeking to keep its hegemony over the world in the twenty-first century. Is globalization another form of the white man's burden?: "Take up the White Man's Burden -- / In patience to abide, / To veil the threat of terror / And check the show of pride; / By open speech and simple, / An hundred times made plain, / To seek another's profit, / And work another's gain. Take up the White Man's Burden -- / The savage wars of peace -- / Fill full the mouth of Famine / And bid the sickness cease; / And when your goal is nearest / The end for others sought, / Watch Sloth and heathen Folly / Bring all your hope to nought" (Kipling <<http://www.literature-web.net/kipling>>; my emphasis).

"To seek another's profit / And work another's gain. ... Fill full the mouth of Famine / And bid the sickness cease." The way see it, this is what the first world proposes as the rationale of globalization in the course of "developing" the third world. But the completely opposite reality of the current globe rather strongly proves the doubleness of the discourse of the white man's burden: "The richest 1% of people in the world receive as much as the bottom 58%, or in other words, less than 50 million income-richest people receive as much as 2.7 billion poor. ... 84% of the world population receive 16% of world (unadjusted) dollar income" (qtd. in Difazio; the original source is from Milanovic; for a detailed discussion of this issue, see Mander and Goldsmith; Petras and Veltmeyer; Sachs; Pilger). Arguing that globalization is imperialism in disguise in the new millennium, they relate "globalization" to "development," which was a development project for the third world initiated by the U.S. after WWII (for a detailed discussion of this, see Sachs). This global context offers a perspective from which to analyze global phenomena such as the East Asian financial crisis in 1997-98. The East Asian financial crisis, I argue, took place in the context of restructuring the world economy, and offered a "perfect" opportunity for the first world to keep and solidify its hegemonic power over East Asia, just as James Petras and Henry Veltmeyer argue in *Globalization Unmasked*: "The resulting economic crises in Asia provide a tremendous opportunity for U.S. and European companies to conquer lucrative Asian enterprises and eliminate competitors" (63-64). In fact, the East Asian financial crisis raises more questions about the

intensive efforts that have been taking place since the end of the Cold War to construct a dominant narrative of economic commonsense -- that is, a narrative as to how the world "really works" whose intent is to disguise what John Pilger describes as the "sophisticated system of plunder" that we take as politics today (2). Petras and Veltmeyer suggest a historical context in terms of the rise and decline of East Asian economies: "Beginning in the mid-1970s, corporate journalists, investment bankers and academics began to refer to the end of Third World dependency and the rise of Asia as a new centre of world capitalism. Today those pronouncements ring hollow. All of the emerging countries together (in Latin America, Asia, the Middle East and Africa) account for 26 of the 500 leading companies -- only 5 percent. What is even more significant is that because of economic crises and privatization policies, many of these companies have been taken over by U.S. or European capital and they are in effect subsidiaries of the giants of the Euro-American empire" (63). Therefore, the work that I do in this paper I consider essential to exposing the complex forms that the "sophisticated system of plunder" takes and the secondary effects it produces (such as revived forms of nationalism, new modes of racism, etc.). I focus here on two of the essential issues with regard to the IMF (International Monetary Fund) and the East Asian financial crisis: ideology and transparency. My arguments about these two issues are developed by analyzing the ways in which the West narrativized the East Asian financial "crisis," and the emergence in these narratives of a neo-Orientalism, by which I mean that in the process of "restructuring" and "dominating" the East Asian economy, "the hegemony of [American] ideas about the Orient [i.e., East Asia], themselves reiterating [American] superiority over Oriental backwardness," operates powerfully in these circumstances (Said 7).

My argumentation, similar to that in Joseph Medley and Lorraine Carroll's essay "Whooping It Up for Rational Prosperity: Narratives of the East Asian Financial Crisis," is to "offer a counternarrative to the IMF/World Bank story as well as a critique of the rhetorics that the institutions' leaders employ to justify the actions they took before, during, and after the crisis" (Medley and Carroll 140), and yet in a quite different manner. In 1993 the World Bank published *The East Asian Miracle: Economic Growth and Public Policy*, in which the World Bank performed the first extensive study on the remarkable growth of the economies of the eight East Asian countries, Japan, Hong Kong, the Republic of Korea, Singapore, Taiwan, Indonesia, Malaysia, and Thailand. In the report, the World Bank acknowledges that "the role of governmental interventions in the manufacturing sector (industrial policies) and financial markets" is significant (Prakash 121). The report, however, concludes by emphasizing "the market-friendly aspects of East Asia's experience" and recommending "market-oriented reform" in case the East Asian model of development should be applied to other under-developed countries (*The East Asian Miracle* 26). Aseem Prakash points out that these two opposing perspectives on the East Asian model of development -- the one that emphasizes the role of government and the other that emphasizes the role of market -- lead us to "ideologically charged debate," although he does not further argue this point in his paper (121). As Kenneth Surin argues in "Hostage to an Unaccountable Planetary Executive," the debate lies in the tension of "two competing ideologies of capitalism and capitalist development," as expressed paradigmatically in the economies of Japan and the United States (130). Surin tackles the ideological assumptions and fundamental flaws in *The East Asian Miracle*: "*The East Asian Miracle* was designed to go to the limit in buttressing or salvaging a neoliberal dogma, a limit that did not even pause at the threshold of logical inconsistency, as the authors of the report hastened from the finding that *some* governmental interventions were misguided and mismanaged to the conclusion that *all* such interventions were baneful and economically unjustifiable. The other rhetorical device is the fairly common one of making a position more attractively by placing it in the middle of two discredited or broken-backed extremes. Thus *The East Asian Miracle* plumps its own 'market-friendly' standpoint in between the two extremes of an unbridled laissez-faire and government intervention" (132; emphases in the original). In short, the report is ideologically guided and seriously flawed. Surin also points out that the report does not take into its consideration the fact that the East Asian miracle was made possible owing to Cold War geopolitical considerations, a point that Petra and Veltmeyer clarify in their assessment of the situation: "The precipitous decline of Asia as a world economic power coincides with the end of the

Communist challenge to Euro-American power. The 'rules of capitalist cooperation' between the imperial centres and 'emerging markets' have changed dramatically. In the previous epoch of systematic confrontation, emerging Asian capital was seen by Washington as a strategic ally to be pampered with easy access to markets, loans and investment money, and its state regulations and protectionist policies were conveniently overlooked. In the contemporary, post-Communist period of intercapitalist competition, all the rules have changed. Asia is perceived as a competitor, a target to conquer. Washington and Wall Street apply strong pressures to liberalize, privatize and deregulate its financial markets. The resulting economic crises in Asia provide a tremendous opportunity for U.S. and European companies to conquer lucrative Asian enterprise and eliminate competitors" (63-64).

What is more, Surin argues that the market-friendly structural adjustment supported by the World Bank failed in reducing or eliminating poverty in the third world and worsened the global environment, "because its 'market-friendly' economic models allow no place for the poor and for the social costs associated with poverty and environment deterioration" (133). This, I argue, testifies that the market-friendly economic models are fundamentally flawed in terms of economic equality and justice, although those who support that idea hardly acknowledge its fundamental or systematic flaws. For instance, although Joseph Stiglitz criticizes the dark side of globalization by pointing out market and government failure and his criticisms of globalization and his suggestion of restoring an egalitarian way are, in many ways, close to those of scholars on the left such as Robert Pollin, he does not acknowledge the fundamental flaws of Western capitalism. His relating "ethics" to "economics" in the hope of ameliorating the fundamental flaws of Western capitalism is very problematic in the sense that the ethics and interests of the privileged few often do not meet those of the dispossessed and disadvantaged (see Stiglitz, "Ethics"

<<http://www-1.gsb.columbia.edu/faculty/jstiglitz/papers.cfm>>). In terms of the East Asian financial crisis, for example, the flawed analysis and hasty application of the prepared prescription -- the Western model of development -- for the East Asian economies is precisely what precipitated the East Asian financial crisis. The crisis drew rapidly the rest of the globe into the vortex of the economic survival of the fittest. In that urgent situation, the IMF played its now typical role as a "savior of the world." Prior to the financial crisis, the East Asian economies were considered to be exemplary models from which even Western countries could learn something. This did not mean that there were no problems in the East Asian economy. However, it was the dominant discourse produced and disseminated by the West that the economic development of East Asia -- particularly the "East Asian Tigers" -- was miraculous and unprecedented. Before the financial crisis in 1997-98, only few pointed out the problems of the East Asian economies (see Krugman, "The Myth"; Young). But after the financial crisis, in the course of "saving" East Asian countries, the IMF produced a completely different discourse that was readily accepted in the West. The IMF claimed that cronyism, corruption, and the lack of the "transparency" -- factors entirely absent in *The East Asian Miracle* -- were the main causes of the financial crisis in the region. The IMF then began to "restructure" the East Asian economy hurriedly -- an economy that had already been structured over the last three decades according to the Western "standard" -- without considering carefully enough the impact on the lived experience of East Asian people. East Asian countries had no choice but to accept both the IMF money and its harsh prescription in order to survive that urgent crisis. However, it is now widely known that the IMF failed to "save" East Asian countries from the crisis, although the IMF does not acknowledge this openly. According to Joseph Stiglitz, the two countries -- Malaysia and South Korea -- that overcame most successfully the crisis prove ironically the ways in which the IMF failed: Malaysia never followed the IMF prescription from beginning to end, while South Korea did not follow the IMF prescription exactly but instead adapted the IMF restructuring program to its national situation in spite of the IMF's objection (see Stiglitz, *Globalization* 89-132). In addition, according to Stiglitz, the process of the economic recovery of the East Asian countries proves that contrary to the World Bank report, government interventions played a significant role, just as before the financial crisis. Scholars such as Stiglitz, Pollin, and Petras and Veltmeyer suggest therefore that in the current process of globalization, roles for governments in promoting strategic industries and in establishing social

safety nets need to be re-considered and re-established. In terms of the systematic failure of the IMF before and after the East Asian financial crisis, Stiglitz exposes how the IMF was guided by ideology and flawed in its policy prescriptions: "Decisions were made on the basis of what seemed a curious blend of ideology and bad economics, dogma that sometimes seemed to be thinly veiling special interests. When crisis hit, the IMF prescribed outmoded, inappropriate, if 'standard' solutions, without considering the effects they would have on the people in the countries told to follow these policies. Rarely did I see forecasts about what the policies would do to poverty. Rarely did I see thoughtful discussions and analyses of the consequences of alternative policies. There was a single prescription. Alternative opinions were not sought. Open, frank discussion was discouraged -- there was no room for it. Ideology guided policy prescription and countries were expected to follow the IMF guidelines without debate" (*Globalization* xiii-xiv).

The ideology behind the decisions making is market fundamentalism -- the simple belief in the ultimate value of free markets. This ideology has been endorsed widely throughout the world after the demise of the Soviet empire; however, it goes back to the early twentieth century. David Korten argues that the Breton Woods conference was the mere realization of the "vision of a global economy dominated by U.S. corporate interests" that had already been germinated in 1930s through the creation of new institutions (21). At the Breton Woods conference in 1944, "Western powers led by the United States had established a new institutional framework, primarily through the U.S.-dominated World Bank and International Monetary Fund, for restructuring economic and political relations on the basis of a particular type of global neo-liberalism in which free trade, unfettered investment, and insistence on transforming the old dictatorships into liberal democracies became the trio of preconditions for economic development" (Aronowitz 180). After half a century has elapsed, we see that global neo-liberalism -- which is the core ideology of globalization -- has been practiced unilaterally. Free trade and unfettered investment have often brought benefits only to those in positions of power and privilege. As John Pilger argues powerfully in his *The New Rulers of the World*, the IMF and the World Bank failed in their stated purpose: to overcome poverty and establish democratic governments in the third world, because the gap between the rich and the poor has widened precipitously and the first world, along with the IMF and the World Bank, has often supported dictatorship and enforced policies that are not favorable to the third world so as to maximize its own benefits (for the former issue, see Cammack; for the latter, see Pilger 17-47). What is really problematic with global neo-liberalism is "the notion that there is a single set of policies that is right," as Stiglitz argues (*Globalization* 221). Within this ideology, there is no room for alternatives from "others" who are different from "us" and Stiglitz argues that "Ideology provides a lens through which one sees the world, a set of beliefs that are held so firmly that one hardly needs empirical confirmation. Evidence that contradicts those beliefs is summarily dismissed. For the believers in free and unfettered markets, capital market liberalization was obviously desirable; one didn't need evidence that it promoted growth. Evidence that it caused instability would be dismissed as merely one of the adjustment costs, part of the pain that had to be accepted in the transition to a market economy" (*Globalization* 222). Stiglitz explicates here the Orientalist attitude that is deeply embedded in the West and that works under the subtext of the East Asian financial crisis. Gary Dean thus argues: "Neoliberalism is not merely a particular capitalist perspective, but rather a complete and dynamic worldview, arguably now almost identical with contemporary Western cultural values and worldview ... Western Neoliberalism, with its universalist-hegemonic agenda, attempts to paper over differences in worldview and culture as if they did not matter in the unitary realm of economics. ... [Eastern] [c]ollectivist worldviews are invalidated as mere pathways on the road to [Western] individualism. Thus it should not be surprising that Western capital interests should view Eastern state-capital cooperation ('collusion') with a deal of suspicion, and attempt to retrospectively blame such 'collusion' as being at the root of the crisis"

(<<http://www.okusi.net/garydean/works/eastasiancrisis.html>>; for more detailed information about critiques of neo-liberalism, see Bourdieu; George

<<http://www.globalpolicy.org/globaliz/econ/histneol.htm>>; Giroux; on globalization, see, e.g., Szeman 2001 <<http://www.humanities.mcmaster.ca/%7Eszeman/global.htm>>, 2005

<<http://www.humanities.mcmaster.ca/%7Eszeman/globalj.htm>>). Terry Eagleton's elucidation of ideology in light of Lacanian theory, particularly Lacan's mirror stage, will help illuminate such Orientalist ideology: "What is misrecognized in ideology is not primarily the world ... The misrecognition in question is essentially a self-misrecognition, which is an effect of the 'imaginary' dimension of human existence. 'Imaginary' here means not 'unreal' but 'pertaining to an image' ... In the ideological sphere, similarly, the human subject transcends its true state of diffuseness or decentrement and finds a consolingly coherent image of itself reflected back in the 'mirror' of a dominant ideological discourse" (214).

What Eagleton criticizes is the self-centeredness of ideology: the self understands and constructs others (including the outer world) egocentrically. What is problematic with this self-centered ideology is that in the relationship between self and others, the self sees others as the mere images of self, and such relationship contributes to the (mis-)construction of self and others. In particular, others are often constructed or imagined according to the degree of its (dis-)similarity to the self. In this process, Eagleton argues, the self's dominant ideology serves as the mirror that reflects and guides others: the self always already lies at the center of the world. Edward Said describes the modus operandi of such Orientalist ideology: "The Orient at large, therefore, vacillates between the West's contempt for what is familiar and its shivers of delight in - - for fear of -- novelty" (59). We see this vacillating attitude of the West works in regard to the East Asian economy before and after the financial crisis. Before the crisis, the East Asian economy was highly (almost unanimously) praised as a miraculous economic development as previously unprecedented (the West's shivers of delight in -- or fear of -- novelty). After the financial crisis, however, the West criticized rigorously the East Asian economy by pointing out "corruption, cronyism, and the lack of transparency" as the main causes of the financial crisis. This contempt results from the fact that the Oriental is always already alien regardless of and in spite of the East's proximity to the West (Said 72). As Said argues, the West speaks for and represents the Orient: the Orient becomes the mere object of the Western representation (6). Said puts in detail the process of producing Orientalist discourse: "The imaginative examination of things Oriental was based more or less exclusively upon a sovereign Western consciousness out of whose unchallenged centrality an Oriental emerged, first according to general ideas about who or what was an Oriental, then according to a detailed logic governed not simply by empirical reality but by a battery of desires, repressions, investments, and projections" (8). Also: "Continued investment made Orientalism, as a system of knowledge about the Orient, an accepted grid for filtering through the Orient into Western consciousness, just as that same investment multiplied -- indeed, made truly productive -- the statements proliferating out from Orientalism into the general culture" (6). And: "It is hegemony, or rather the result of cultural hegemony at work, that gives Orientalism the durability and the strength" (7). Said suggests that the modus operandi of the production of Orientalist discourse is a "confusing amalgam of imperial vagueness and precise detail" (50). Here we read "imperial vagueness" as the West's superficial attitude toward the East, while "precise detail" means that on the basis of such superficial knowledge of the East, the West tries to produce detailed (and flawed) discourses of the East. This amalgam of imperial vagueness and precise detail does its work in the course of "restructuring" the East Asian economy. Stiglitz argues that important decisions at the IMF and the World Bank were made not by careful calculations based on scientific evidences and data but by ideology and politics, and that such decisions resulted in "many wrong-headed actions ... ones that did not solve the problem at hand but that fit with the interests or beliefs of the people in power" (*Globalization* x). Moreover, in the course of "restructuring" the East Asian economy according to the harsh prescriptions of the IMF, "the IMF never bothered to look at the details of what was going on inside the countries" (Stiglitz, *Globalization* 111). But when the IMF tried to construct the discourse of East Asia's own fault, it produced the systematic discourse of "cronyism, corruption, and the lack of transparency" that could easily be used as a means to blame East Asia (and that was conveniently overlooked before the financial crisis).

George Soros's critique of "the supremacist ideology" guiding foreign policy in the Administration of President George W. Bush after the terrorist attacks on 11 September 2001 is

quite relevant to the critique of the actions of the IMF and the U.S. Treasury in the East Asian financial crisis. According to Soros, "the supremacist ideology postulates that just because we are stronger than others, we know better and have right on our side" (64). His main critiques are twofold: "First, there is no single sustainable model for national success. Second, the American model, which has indeed been successful, is not available to others, because our success depends greatly on our dominant position at the center of the global capitalist system, and we are not willing to yield it" (64). This supremacist ideology is exactly what Stiglitz also targets in his critiques of the IMF, the World Bank, and the U.S. Treasury with respect to their actions in the East Asian financial crisis. When it comes to "transparency," we see that a similar ideology -- "American exceptionalism" -- functions to cover the doubleness of the U.S. economy and its practice. Stiglitz defines transparency as "the openness of and access to information" (*Globalization* x). This means that transparency reflects the democratic system of a society. In other words, we can see the degree of democracy of a society by measuring the transparency of a society. Before the East Asian financial crisis, the US-American economy was suggested as the model for the developing countries to follow and it was widely believed that the U.S. is much more developed in terms of democracy (and transparency). However, recent events, such as Enron, Arthur Andersen, Merrill Lynch, WorldCom, and other scandals, prove how flawed the US-American system is. And Stiglitz argues that the IMF, the World Bank, and the U.S. Treasury lacked transparency during the East Asian financial crisis: "I was glad to see the emphasis during the global financial crisis in 1997-98 of the importance of transparency; but saddened by the hypocrisy that the institutions, the IMF and the U.S. Treasury, which emphasized it in East Asia, were among the least transparent that I had encountered in public life" (*Globalization* xii). In "Showdown at the World Bank," Robert Wade also exposes how undemocratically the World Bank and the U.S. government work. Stiglitz also highlights the doubleness of American economists in terms of practicing economic rules both at home and abroad: "I could see the inconsistency between what we argued for at home, and what we pushed abroad. I could see how those who argued for social justice and democratic values at home, out of a concern for the poor, often seemed much less concerned about these values abroad" (*The Roaring Nineties* xix). Pilger exemplifies how such inconsistency (or doubleness) brings other parts of the world, such as Iraq, Afghanistan, and Indonesia, to man-made tragedy. He says: "That Afghan peasants have the same right to life as New Yorkers is unmentionable, a profanity. The murderous demolition of their villages, with not a Taliban or al-Qa'ida fighter in sight, is 'unavoidable.' In other words, certain human lives have greater worth than others and the killing of only one set of civilians is a crime. The terrorists of Osama bin Laden and George W. Bush are sustained by this ancient lie" (7). As suggested in the examples above, we see how undemocratically the IMF and the World Bank, along with U.S. treasury, work so as to seek their own benefits.

Thus, in my view, it is a myth that the U.S. is much more developed than developing countries in terms of democracy and transparency, and that the US-American economic system is the model for the developing countries to follow. This means that the U.S. must be recognized at best as one of the developed countries, and the US-American economic system, as one of the models to be followed. In particular, the case of the Enron scandal shows that "cronyism, corruption, and the lack of transparency" that the West criticized as the main causes of the East Asian financial crisis are also at the heart of the US-American economic system. The case of the Enron scandal offers us a rationale to deconstruct the American economic system as the only model. Stiglitz argues that "The lesson it taught was one of 'crony capitalism.' There was more than a little irony on the side of both Ken Lay and the U.S. government: Enron, the seeming champion of free market economics, and Ken Lay, a severe critic of government, were so willing to receive government assistance -- billions of dollars of loans and guarantees -- that Lay made use of his friends in high places to push his firm, and then did all that he could to avoid taxes (with remarkable success). And then the U.S., especially Treasury officials were then lecturing East Asia on crony capitalism, and then apparently practicing it themselves" (*The Roaring Nineties* 262). He adds: "The close connection between Enron and its CEO and the Bush administration ... The story of Enron was the story of the nineties -- the excesses of deregulation, accounting chicanery, corporate greed, bank



complicity. ... Enron showed the world the darker side of globalization. ... Events since have shown that, if Enron's problems were extreme, they were not isolated; indeed, in some ways, they were pervasive" (*The Roaring Nineties* 268). As Stiglitz argues, Enron's problems are not isolated but pervasive. The economist Paul Krugman has suggested that the U.S. government is beset by similar problems: "The administration has used accounting trickery to hide the true budget impact of its proposals, and it has used misleading presentations to conceal the extent to which its tax cuts are tilted toward families with very high income" (Krugman, "The Tax-Cut Con" 60). However, what is really problematic is that the American economic problems exposed through the East Asian financial crisis, Enron, and other scandals are considered differently from those of developing countries. In other words, they are not considered to be systematic flaws and problems, as is the case of the East Asia during the financial crisis. The U.S.A. tried to see its own problems as exceptional ones and analyzed them carefully. This is exactly opposite to the attitude of the West in the course of "helping" to overcome the East Asian financial crisis: superficial and hasty. The U.S. approached its economic problems as particular cases, but regarded the East Asian economies -- which included so many different countries and cultures -- as all belonging to one category, so as to easily impose the US-American "standard" on that region. Yet, as John Lie argues, "to insist on the valence of cultural or economic unity verges on the fantastic, constituting what the literary critic Edward Said called Orientalism, or hoisting (wrong) Western preconceptions on others" (<<http://www.bus.umich.edu/FacultyResearch/ResearchCenters/Centers/Cse/CseSite/Newsletter/Current/Liea.htm>>). Robert Wade illustrates this point: "The IMF's response was to impose the same tight fiscal monetary policies on Thailand as they had on Latin America in the 1980s, 'delivering' the same medicine to each ailing nation that showed up on its doorstep" (125). In short, we see that American exceptionalism works powerfully in terms of US-American economic failures.

Jan N. Pieterse examines the doubleness of American exceptionalism and unmasks it in his paper "Hyperpower Exceptionalism: Globalisation the American Way." He states: "AE [American Exceptionalism] is an old-fashioned self-caricature that predates the realities of American multiculturalism and ignores the 'other America' of the civil rights movement, '1968,' social movement ranging from the anti-Vietnam War mobilization to the 'battle of Seattle', and the polls that register majority positions on labour rights, women's rights, the environment and other issues that are far more progressive than those held by mainstream media and political elites; a country where Michael Moore's *Stupid White Men* goes through nine printings in a week and ends up as the number one bestsellers for months on end" (316). In short, the ideology of U.S. exceptionalism is the one in which a single view of world is allowed and accepted and thus, alternative opinions, such as another "America," are not explored. On a global level, this ideology has caused numerous problems by suppressing the movement that tries to make another world possible. That is why scholars on both the right and the left, such as Soros, Stiglitz, Pollin, and Petras and Veltmeyer, support more democratic and open societies, and argue for more egalitarian polities as an alternative (of course, there is a clear difference between the two groups in that the first two scholars support Western capitalism, while the others support a socialist welfare system, although their criticisms of the current globalization have common ground in many ways). Concerning the imagining of another "America" and another world, Arjun Appadurai's idea of "the role of the imagination in social life" is illuminating (6). According to him, "It is a faculty that informs the daily lives of ordinary people in myriad ways: It allows people to consider migration, resist state violence, seek social redress, and design new forms of civic association and collaboration, often across national boundaries" (6). This contributes to the formation of imagined communities for ordinary people, who are often excluded from the mainstream, so as to invent resistant or alternative discourse(s). Appadurai calls this "grassroots globalization" or "globalization from below" (3), a movement that will help "redirect and reshape the course of globalisation" from above (qtd. in Pieterse 318; see also Bourdieu; George <<http://www.globalpolicy.org/globaliz/econ/histneol.htm>>; Giroux; they not only offer critiques of neo-liberalism but also suggest how resistance on both the individual and collective levels against "the terror of neo-liberalism" can be formed responsibly). Thinking otherwise will bring into

realization another world in which multiple relationship between self and others can be positively sought, just as Michael Hardt and Antonio Negri's concept of the "multitude" suggests: "The multitude is a multiplicity, a plane of singularities, an open set of relations, which is not homogenous or identical with itself and bears an indistinct, inclusive relation to those outside of it" (*Empire* 103). This mode of thinking is really needed in the current state of the world, in which since 9-11 the U.S unilateralism has intensified and alternative voices are easily suppressed.

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