

# “Localization” Can Help Free the Planet From Neoliberal Globalization



*Helena Norberg-Hodge -  
Photo: nl.wikipedia.org*

*Localization offers the means to return to a real and stable economy not based on speculation, exploitation and debt.*

Is there a viable alternative to the economic, social, political and environmental problems stemming from globalization? How about “localization”? This is the antidote to globalization propounded by Helena Norberg-Hodge, founder and director of Local Futures, an organization focused on building a movement dedicated to environmental sustainability and social well-being by rejuvenating local economies. Norberg-Hodge is a pioneer of the new economy movement, which now has spread to all continents, and the convener of [World Localization Day](#), which was endorsed by the likes of Noam Chomsky and the Dalai Lama. Norberg-Hodge is the author of several books and producer of the award-winning documentary, *The Economics of Happiness*.

In this interview, Norberg-Hodge discusses in detail why localization represents a strategic alternative to globalization and a way out of the climate conundrum, the

ways through which localization challenges the spread of authoritarianism, and what a post-pandemic world might look like.

*C.J. Polychroniou: The global neoliberal project, under way since the early 1980s following the so-called “free-market revolution” launched by Ronald Reagan and Margaret Thatcher in the U.S. and U.K., respectively, has proven to be an unmitigated disaster on all fronts. Why does a shift toward economic localization, a movement which you have initiated on every continent of the world, represent a superior strategic alternative to the existing socioeconomic order, and how do we go about making this transition?*

*Helena Norberg-Hodge: The process of globalization with its disastrous effects is a consequence of governments systematically using taxes, subsidies and regulations to support global monopolies at the expense of place-based regional and local businesses and banks. This process has been going on in the name of supporting growth through free trade, but it has actually impoverished the majority, that has had to work harder and harder just to stay in place. Even nation states have become poorer, relative to the trillions of dollars circulating in the hands of global financial institutions and other transnational corporations. This has systematically corrupted virtually every avenue of knowledge, from schools to universities, from science to the media.*

As a consequence, instead of questioning the role of the economic system in causing our multiple crises, people are led to blame themselves for not managing their lives well enough, for not being efficient enough, for not spending enough time with family and friends, etc., etc... In addition to feeling guilty, we often end up feeling isolated because the ever more fleeting and shallow nature of our social encounters with others fuels a show-off culture in which love and affirmation are sought through such superficial means as plastic surgery, designer clothes and Facebook likes. These are poor substitutes for genuine connection, and only heighten feelings of depression, loneliness and anxiety.

I see a shift toward economic localization as a powerful strategic alternative to neoliberal globalization for a number of reasons. For starters, the increasingly planetary supply chains and outsourcing endemic to corporate globalization are systematically making every region less materially secure (something that became starkly apparent during the COVID crisis) and enabling ecological and labor exploitation cost shifting such that feedback loops that could promote greater

transparency and thus responsibility are severed. A recent study showed that one-fifth of global carbon emissions come from multinational corporations' supply chains. Localization means getting out of the highly unstable and exploitative bubbles of speculation and debt, and back to the real economy — our interface with other people and the natural world. Local markets require a diversity of products, and therefore create incentives for more diversified and ecological production. In the realm of food, this means more diversified production with far less machinery and chemicals, more hands on the land, and therefore, more meaningful employment. It means dramatically reduced CO2 emissions, no need for plastic packaging, more space for wild biodiversity, more circulation of wealth within local communities, more face-to-face conversations between producers and consumers, and more flourishing cultures founded on genuine interdependence.

This is what I call the “solution-multiplier” effect of localization, and the pattern extends beyond our food systems. In the disconnected and over-specialized system of global monoculture, I have seen housing developments built with imported steel, plastic and concrete while the oak trees on-site are razed and turned into woodchips. In contrast, the shortening of distances structurally means more eyes per acre and more innovative use of available resources.

It is entirely reasonable to envisage a world without unemployment; as is true of every price-tag on a supermarket shelf, unemployment is a political decision that, at the moment, is being made according to the mantra of “efficiency” in centralized profit-making. As both political left and right have bought into the dogma of “bigger is better,” citizens have been left with no real alternative.

When we strengthen the human-scale economy, decision-making itself is transformed. Not only do we create systems that are small enough for us to influence, but we also embed ourselves within a web of relationships that informs our actions and perspectives at a deep level. The increased visibility of our impacts on community and local ecosystems leads to experiential awareness, enabling us to become both more empowered to make change and more humbled by the complexity of life around us.

*What's the difference between economic localization and “delinking” (an alternative development approach associated with the work of the late Marxist sociologist Samir Amin)? Moreover, is localization part of the degrowth strategic*

*program that has emerged in the age of global warming?*

Delinking was conceived within the framework of industrialism instead of an understanding of ecological limits. Localization, as I have formulated it over the years, calls for a more radical delinking not only from onerous and oppressive relations of economic and political dependency, but also from the worldviews of modernity based in industrialization and so-called progress and development.

As to the relation between localization and degrowth, there is a lot of overlap. Generally speaking, both reject the growthism intrinsic to capitalism. However, from my point of view, many degrowth advocates don't focus enough on the role of global corporations and free trade treaties, nor do they emphasize enough the need for a systemic shift in direction toward localization or decentralization. This I believe again, as with delinking, comes from ignoring many of the ecological and spiritual effects of industrial progress.

Localization is sometimes perceived as right-wing, nationalistic or even xenophobic. I want to stress that we are talking about economic localization or decentralization, not some kind of inward-looking withdrawal from the national arena. On the contrary, we encourage cultural exchange and international collaboration to deal with our global social and environmental crises.

There is a growing, diverse and creative movement emerging all over the world of people coming together in community to construct their own economies in the shell of the old. In a sense, not only is another world possible, it's already here in this [global localization movement](#). Besides degrowth, other closely affiliated and overlapping movements include: new economies, solidarity economies and cooperative economies; food sovereignty; simplicity and sufficiency economics; and on and on.

This florescence of movements and initiatives from all over the world, in addition to being a source of great inspiration, disprove by their very existence the precepts of neoclassical economics and capitalism, and point the way back from the abyss.

*The political pendulum has shifted dramatically over the last couple of decades in favor of some very reactionary forces. What explains the return of the ugly and dangerous face of political authoritarianism in the 21st century, and how can the advancement of the localized path help challenge authoritarianism?*

As a result of globalization, competition has increased dramatically, job security has become a thing of the past, and most people find it increasingly difficult to earn a liveable wage. At the same time, identity is under threat as cultural diversity is replaced by a consumer monoculture worldwide. Under these conditions, it's not surprising that people become increasingly insecure. As advertisers know from nearly a century of experience, insecurity leaves people easier to exploit. But people today are targeted by more than just marketing campaigns for deodorants and tooth polish: insecurity leaves them highly vulnerable to propaganda that encourages them to blame the cultural "other" for their plight. The rise of authoritarianism is just one of many interrelated impacts of economic globalization. Because today's global economy heightens economic insecurity, fractures communities, and undermines individual and cultural identity — it is creating conditions that are ripe for the rise of authoritarian leaders.

Increasingly distanced from the institutions which make decisions that affect their lives, and insecure about their economic livelihoods, many people have become frustrated, angry and disillusioned with the current political system. Although most democratic systems worldwide have been disempowered by the *de facto* government of deregulated banks and corporations, most people blame government leaders at home. Because they don't see the bigger picture, increasing numbers of people support laissez faire economics, wanting government red tape out of the way, to allow new authoritarian leaders to grow the economy for them, to make their country "great again."

Localization offers a 180-degree turn-around in economic policy, so that business and finance become place-based and accountable to democratic processes. This means re-regulation of global corporations and banks, as well as a shift in taxes and subsidies so that they no longer favor the big and the global, but instead support small scale on a large scale. Rebuilding stronger, more diversified, self-reliant economies at the national, regional and local level is essential to restoring democracy and a real economy based on sustainable use of natural resources — an economy that serves essential human needs, lessens inequality and promotes social harmony.

The way to bring this change about is not to simply vote for a new candidate within the same compromised political structure. We instead need to build up diverse and united people's movements to create a political force that can bring about systemic localization. It means raising awareness of the way that

globalization has made a mockery of democracy, and making it clear that business needs to be place-based in order to be accountable and subject to the democratic process.

We must acknowledge that the issue is complex: despite its above-mentioned role in pushing globalization, the nation state also remains the political entity best suited to putting limits on global business, but at the same time more decentralized economic structures are needed, particularly when it comes to meeting basic needs. These place-based economies require an umbrella of environmental and social protection strengthened by national and importantly, *international* regulation, but determined through local political engagement.

Localization is a solution-multiplier. It can restore democracy by reducing the influence of global business and finance on politics and holding representatives accountable to people, not corporations. It can reverse the concentration of wealth by fostering the creation of more small businesses and keeping money circulating locally, regionally and even nationally. It can minimize pollution and waste by providing for real human needs rather than desires manufactured by a corporate-led consumer culture, and by shortening distances between producers and consumers.

By prioritizing diversified production for local needs over specialized production for export, localization redistributes economic and political power from global monopolies to millions of farmers, producers and businesses. It thereby decentralizes political power and roots it in community, giving people more agency over the changes they wish to see in their own lives.

The exponential growth in localization initiatives — from food-based efforts like community gardens, farmers' markets, community-supported agriculture schemes and urban agriculture, to local business alliances, decentralized renewable energy schemes, tool lending libraries and community-based education projects — attests to the fact that more and more people are arriving, in a largely common-sense way, at localization as a systemic solution to the problems they face.

(I have tackled this question in great detail in my article, "[Localization: a Strategic Alternative to Global Authoritarianism.](#)")

*The COVID-19 pandemic, obviously a direct result of economic globalization, continues to haunt us with its presence and no one can tell with certainty when*

*the world will return to normalcy. In your view, is going back to “normal” even possible? And, if not, what will a post-pandemic normal look like?*

I think the first question is whether returning to old normal is desirable, and then whether it is possible. So-called normal pre-COVID-19 was the rapidly-expanding global consumer culture, swelling volumes of waste, global ecological collapse including species extinction and ballooning inequality, among so many other crises. The pandemic has sadly exacerbated these trends, but it is obvious to me that pre-pandemic “normalcy” was itself already a disaster, thus nothing we should wish to return to. Indeed, as has been pointed out by many observers, the radical rift in the status quo operations of globalization, especially apparent during the early worldwide hard lockdown phase, illustrated like nothing else in our lifetimes just how quickly the system can change, how spurious were the narratives of globalization’s inevitability all along. It also exposed — and continues to do so in many ways — the perilous fragility, brittleness and dependencies of globalized supply chains that have increasingly risen to dominance as more and more places have been de-localized during the past few decades of manic globalization.

Wherever one looked, it was the still relatively more localized, often rural communities — the very ones that conventional development has long denigrated and advocated transcending — that [proved more resilient and secure in the face of the crisis](#), even to the point of prompting reverse migration from the cities back to the villages in many places. Similarly, however awful the circumstances provoking it, the response to the pandemic by grassroots movements across the world has been truly inspiring, showing in real time the truth of the longstanding activist slogan that [other worlds are possible](#).

As to the possibility of going back to the destructive old normal: despite dips in global emissions and pollution during the early months of the pandemic and the beautiful flowering of mutual aid and other local solidarity initiatives, the dramatic rebound of pollution of all sorts, now exceeding pre-pandemic levels, along with the obscene worsening of inequality, concentration of power by transnational corporations and devastation of small, local businesses shows that, unfortunately, yes, it is all too possible to go back to the destructive old normal. This shows that we cannot hope for some external force to “impose” localization and rein in corporate globalization, such as was often placed on peak oil or other forms of resource collapse. There are no shortcuts around the need to politically

struggle against the dominant system and create the local alternatives, to create a post-pandemic normal that isn't a pre-pandemic political-economy on steroids. The imperative for economic localization demonstrated by the pandemic should not be forgotten after the plague has passed, as though only in emergencies does it make sense to strengthen our local resilience and localized production and consumption links. Because of the solution-multiplier benefits of localization referred to earlier, I believe this is the post-pandemic normal we should aspire to.

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