



# Globalization: Contemporary Dynamics and the Future of World Politics

## **What Is Globalization?**

- Economic Globalization
- Political Globalization
- Cultural Globalization
- Factors Behind Globalization

## **A Historical Perspective on Globalization: How New Is It?**

- Historical Roots
- Distinctive Characteristics of Contemporary Globalization

## **Globalization and Its Discontents**

- Unequal Globalization
- Nationalism as a Countertrend
- Other Sources of Opposition to Globalization

## **Globalization and the State: The Future of World Politics**

- “The State Is Dead”
- “Long Live the State”
- Understanding the Future of Globalization and the State

## **Summary**

## **Key Terms**

This final chapter discusses a dynamic that is perhaps the central characteristic of global politics in contemporary times. Globalization arguably is the most important process affecting relations between states, as well as nonstate actors, today. Many of the previous chapters have already raised some of the topics that are critical to a discussion of globalization. The growing number and significance of multinational, nongovernmental, and terrorist organizations and the implications for the power and autonomy of states (Chapter 4), the changing role of conflict in the international system (Chapter 7), the growing significance of international organizations, law, and norms in the post–Cold War system (Chapter 9), the rise and consequences of interdependence and liberalization in the international political economy (Chapter 10), the spread of capitalism and regional integration (Chapters 11 and 12), and the global nature of and global solutions to environmental problems (Chapter 13) are all linked to the globalization process. Of course, any discussion of globalization raises the question of how new this process really is, and if it is occurring at all, and this question pushes us to assess globalization in historical and theoretical perspective (Chapters 1, 2, and 3).

This chapter brings together these themes related to globalization by first defining it, examining the evidence for economic, political, and cultural globalization, and reviewing the factors, such as technology, behind it. The chapter then assesses the novelty and scope of globalization and its political opponents and contrary trends. We end with a look at the effects of globalization on states and the consequences for future ways in which global politics might operate and be understood.

## What Is Globalization?

*Globalization* is one of the most used, and perhaps overused, terms to describe world politics today:

Indeed, globalization is in danger of becoming, if it has not already become, the cliché of our times. . . . Clichés, nevertheless, often capture elements of the lived experience of an epoch. In this respect, globalization reflects a widespread perception that the world is rapidly being molded into a shared social space by economic and technological forces and that developments in one region of the world can have profound consequences for . . . individuals or communities on the other side of the globe.<sup>1</sup>

*Globalization* is similar to *interdependence*, and the two terms are often used interchangeably. Recall from Chapter 1 that according to the theoretical perspective of liberalism, *interdependence* means that what happens inside one state can have significant effects on what happens inside another state, and there has been a rise in the significance of nonstate and substate actors, which connect states in a network of relations. While the fortunes of states may have always been connected,

or interdependent, liberalism proposes that the interdependence between states and other actors reached an unprecedented level by the 1970s. This is one reason, as we will discuss below, that some say the current globalization is not really new, that it is merely a continuation of the trends apparent in the 1970s.

Although the concepts of globalization and interdependence are similar, globalization places more emphasis on the growing similarity of people, places, and things in a “borderless world.”<sup>2</sup> Economies, for example, are not simply more connected; the distinctions between them are becoming less meaningful. Definitions of globalization typically stress the “increase in interconnections, or interdependence, a rise in transnational flows [like the preceding definition of interdependence], and an intensification of processes such that the world is in some respects, becoming a single place.”<sup>3</sup> Globalization is then the process of reaching that single place, a global village. There is evidence for this global homogenization process, which makes people, places, and things around the world more similar in many interrelated areas. The most important arenas for globalization are economic, political, and cultural.

## Economic Globalization

It is in the economic sphere that we most think of and refer to globalization. In a globalized economy, borders and distance do not hinder economic transactions.<sup>4</sup> In many ways, a global marketplace has developed. If **economic globalization** trends continue, the world will presumably approach a single economy.

**economic globalization**  
Economic integration  
approaching a single  
world economy.

With respect to world trade, for example, “today all countries trade internationally and, with the odd exception like North Korea, they trade significant proportions of their national income. Around 20 percent of world output is traded and a much larger proportion is potentially subject to international competition: Trade has now reached unprecedented levels, both absolutely and proportionate to world output.”<sup>5</sup> Indeed, “it is noteworthy that during the last two decades, the volume of world trade grew at twice the rate of output.”<sup>6</sup> One component of the rise in world trade is trade in services, as compared to trade in goods. “Today, a global marketplace is developing for retail sales as well as manufacturing. Law, advertising, business consulting, and financial and other services are also marketed internationally.”<sup>7</sup> As a result, it is difficult to find anything—goods or services—to buy that did not originate somewhere else. Starbucks coffee shops are everywhere, as are McDonald’s restaurants. Indeed, Western products, including Kinko’s, Gerber, Coca-Cola, Starbucks, Kentucky Fried Chicken, Haagen-Dazs, and Dunkin’ Donuts, are readily available in the People’s Republic of China. McDonald’s has over 600 restaurants in China, with over 150 in Hong Kong alone.<sup>8</sup> In a recent survey, almost half of Chinese children believed that McDonald’s was a Chinese company.<sup>9</sup>



A sign of economic globalization, Chinese bicyclers pedal past a billboard for the multinational Ford Motor Company. (Steven Harris/Getty Images)

Another major aspect of economic globalization concerns international financial flows:

Globalization often implies abandoning national ties and embracing supranational alliances. In international finance, this is more than a buzzword; it is a reality. . . . Nationality simply means less than it did even a year ago. Global financial products are accessible in national markets and national investors can operate in global markets. Investment banks used to split up their analyst teams by country to cover a national market; now they tend to do it by industrial sector across all major countries.<sup>10</sup>

The international banking market rose to 37 percent of world output in 1991, as compared to 1.2 percent in 1964.<sup>11</sup> As already noted in Chapter 4, foreign direct investment in 2000 reached unprecedented levels. World foreign exchange levels have skyrocketed as well.<sup>12</sup> Indeed,

there are few more pervasive images of globalization than men and women at their trading desks in the City of London or Wall Street frantically buying and selling currencies and assets from around the globe at the push of a button. Although heavily concentrated in the three main centres of London, Tokyo, and New York, world foreign exchange trading averages a staggering \$1,490 billion every

working day. In addition billions of dollars of financial assets are traded daily across the globe. . . . The development of new financial instruments, the deregulation of national financial markets and the growth of international banks and other financial institutions have created a functioning global financial system.<sup>13</sup>

The world financial crises in Asia, Russia, and Latin America (as discussed in Chapter 10) showed the consequences of financial globalization. Economies are more vulnerable than ever before as foreign exchanges of currencies, which can now be executed on a twenty-four-hour basis, cause the value of many currencies to plummet overnight.

The primary actors facilitating economic globalization are multinational corporations (MNCs), increasingly referred to as global corporations. McDonald's, for example, has restaurants in over 119 countries.<sup>14</sup> As discussed in Chapter 4, these businesses are more global, more numerous, and bigger than ever before. Accounting for most of world trade, particularly in technology and private research and development, "the operations of MNCs are central to processes of economic globalization. They play a significant role in the globalization of trade, finance, technology and (through output and media ownership) culture, as well as in the diffusion of military technology. But MNCs are implicated most centrally in the internationalization of production and services activity; they can be conceived as stretching business across regions and continents."<sup>15</sup>

Alongside the legitimate global marketplace, an illegal global market has been growing as well, contributing to economic globalization.<sup>16</sup> "The forces shaping the legitimate global economy are also nourishing globally integrated crime. . . . Huge increases in the volume of goods and people crossing borders and competitive pressures to speed the flow of trade by easing inspections and reducing paperwork make it easier to hide contraband."<sup>17</sup> Although estimates of international crime are not completely reliable, many believe that international crime is a \$1 trillion a year business, an amount equal to about 4 percent of the total international economy. Half of this is thought to be in narcotics trade.<sup>18</sup>

Economic interdependence, in terms of trade and finance, has certainly been present among the wealthy countries of the North, integrated together after World War II in the Bretton Woods system (as discussed in Chapter 10). What makes current economic dynamics global is the spread of these practices to most of the rest of the world. The fall of the Communist bloc and the change in leadership and economic policies in the People's Republic of China led to linkages between these countries and the West and their incorporation into the global trading and financial systems.

Linkages between the North and South are growing as well. One economist argues that "the most notable features of the new world economy are the increasing links between the high- and low-income countries. . . . The great novelty of the current era is the extent to which the poorer nations of the world have been incorporated in the global system of trade, finance, and production as partners and market participants rather than

colonial dependencies.<sup>19</sup> In terms of trade, most countries by 1990 had a trading relationship with most of the other countries in the world.<sup>20</sup> While trade between the developed and developing states has largely remained at the same percentage of world trade totals over the past three decades, trade between developing economies has risen from 3.8 percent to 14.1 percent of world trade from 1965 to 1995, and the percentage of world manufacturing exports by developing countries rose to a high of over 20 percent.<sup>21</sup>

International financial flows are more global today as well, incorporating the transition economies of the former Communist bloc and the developing countries. By the 1990s, international investors were increasingly interested in so-called emerging markets such as in Latin America. As a result, investment companies' portfolio allocations became increasingly global in coverage.<sup>22</sup> Net private capital flows to developing countries jumped from \$57.1 billion in 1990 to \$211.2 billion in 1995.<sup>23</sup> Multinational corporations are also found in these new locations:

All regions of the globe, to a greater or lesser extent, are both the home of and host to MNCs or their foreign affiliates. But what is striking is the scale of MNC activity within, and from the developing countries. . . . In the late 1980s developing countries were home to some 3,800 indigenous MNCs; by the mid-1990s . . . this had more than doubled. This is an indication of the expanding reach of global production and distribution systems.<sup>24</sup>

Incorporation of the developing and transition economies into the world economic system has occurred with these countries' liberalization (diminishing government restrictions) of their own economies (see Chapters 10 and 11). Since the early 1990s most countries have liberalized their foreign investment regulations and actively encouraged inward investment. Indeed, from 1992 to 2001, 95 percent of adjustments that states made to their trade policies were in the direction of liberalization.<sup>25</sup> In this way, the world is witnessing a homogenization of economies. Rather than the mix of market economies, planned economies, and hybrid economies that characterized the Cold War period, most economies have moved in the direction of liberal market economies, more similar to the economies of the wealthy North. This homogenization in terms of liberalization has been institutionalized on a global scale. The institutions of the Bretton Woods system, such as the World Bank and the International Monetary Fund (IMF), now incorporate more countries around the world. Most important, the formalization of the General Agreement on Tariffs and Trade (GATT) principles into the World Trade Organization (WTO) and the expansion of WTO (discussed in Chapter 10) to include most of the countries of the world (150 of the approximately 193 countries by mid-2007) have institutionalized a global trading regime. And as discussed in Chapter 12, even the increasing regionalization of the world economy may work in tandem with the globalization of economic relations.

**political globalization**  
Extension of political power and activity across state boundaries.

**global governance**  
Multiple, interconnecting spheres of political authority beyond sovereign states.

## Political Globalization

International institutions such as the WTO and the IMF are contributing to another form of globalization: **political globalization**—“the stretching of political relations across space and time; the extension of political power and political activity across the boundaries of the modern nationstate.”<sup>26</sup> It is characterized by the rise in number and significance of international and regional organizations and nonstate transnational actors.<sup>27</sup> The transnational networks of international organizations and nongovernmental organizations that play political roles arguably compose a new system of **global governance**.<sup>28</sup>

As discussed in Chapter 9, the United Nations has become more active since the end of the Cold War and has taken on more roles, such as peacemaking and humanitarian intervention, without the consent of sovereign states. Although far from a world government, the United Nations is clearly acting as a global governing system—providing a forum for debate, codifying developing norms, and at times enforcing norms through its executive body, the Security Council. Most recently, the United Nations helped to create the International Criminal Court (ICC) to deal with cases of genocide, crimes against humanity, and war crimes (see Chapter 9). The ICC began functioning on a permanent basis in July 2002 and arguably represents the trend toward political globalization. The number of recent multilateral international agreements, often negotiated in the UN framework, to deal with global challenges such as environmental threats (see Chapter 13) is also contributing to the globalization of issues as states recognize that certain problems are transnational and require cooperation across state boundaries. Yet global governance is

not only the formal institutions and organizations through which the rules and norms governing world order are (or are not) made and sustained—the institutions of state, intergovernmental cooperation and so on—but also all those organizations and pressure groups—from MNCs, transnational social movements to the plethora of non-governmental organizations—which pursue goals and objectives which have a bearing on transnational rule and authority systems. . . . Clearly, the United Nations system, the World Trade Organization, and the array of activities of national governments are among the central components of global governance, but they are by no means the only components.<sup>29</sup>

As seen in Chapter 4, the growth of NGOs and their capacity to influence world politics are striking characteristics of today's global system. Not only do they serve as pressure groups, but they also are performing a variety of political functions that states have failed to provide or have handed over to NGOs. As such, they are increasingly important participants in global governance.

Along with the United Nations, NGOs influence the norms and regimes that are becoming increasingly global. As discussed in Chapter 9, norms regarding women's rights and human rights, for example, can have powerful effects on states' behavior, and a number of norms have reached almost global acceptance and are becoming codified in international law. Indeed,

changes in international law have placed individuals, governments and non-governmental organizations under new systems of legal regulation. . . . One significant area in this regard is human rights law and human rights regimes. "The defence of human dignity knows no boundaries," observes Emilio Mignone, an Argentinean human rights campaigner. . . . This statement captures important elements of the international human rights regime as a global political and legal framework for promoting rights.<sup>30</sup>

Another emerging global norm is democracy. As we saw in Chapter 9, there is greater acceptance today that democratic governance is a legal right. The growing democratization of the world is an additional form of political globalization. Countries are becoming more similar as democracy as a form of government has spread to more parts of the globe (see Chapter 3). This homogenization of politics has meant that by the 1990s, most of the people in the world lived in systems that could be characterized as "free" or "partly free."<sup>31</sup> This development has been referred to as the "globalization of democracy."<sup>32</sup>

## Cultural Globalization

The spread of democracy as a political system is associated with the spread of democratic values that is part of **cultural globalization**. Culture involves values, norms, traditions, and practices, and many see a homogenization of what people do, think, and value around the world. People are buying the same products, listening to the same music, playing the same video games, eating the same food, and watching the same television programs. "Few expressions of globalization are so visible, widespread and pervasive as the worldwide proliferation of internationally traded consumer brands [such as Coca-Cola], the global ascendancy of popular cultural icons [such as Madonna] and artifacts [such as Harry Potter books], and the simultaneous communication of events by satellite broadcasts [for example, by CNN] to hundreds of millions of people at a time on all continents."<sup>33</sup>

Cultural globalization means that norms, practices, symbols, and values from one culture have spread globally. Cees Hamelink, in his book *Cultural Autonomy in Global Communications*, records these "experiences of the international scene":

In a Mexican village the traditional ritual dance precedes a soccer match, but the performance features a gigantic Coca-Cola bottle.

### **cultural globalization**

Worldwide spread of similar norms, values, and practices.

In Singapore, a band dressed in traditional Malay costume offers a heart-breaking imitation of Fats Domino.

In Saudi Arabia, the television station performs only one cultural function—the call for the Moslem prayer. Five times a day, North American cops and robbers yield to the traditional muezzin.

In its gigantic advertising campaign, IBM assures Navajo Indians that their cultural identity can be effectively protected if they use IBM typewriters equipped with the Navajo alphabet.<sup>34</sup>

The spread of Western culture to Asia, particularly China, has been rapid. “Until the late 1970s and early 1980s,” for example, “most people paid little attention to their calendar birth date if they remembered it at all. McDonald’s and its rivals now promote the birthday party—complete with cake, candles, and silly hats—in television advertising aimed directly at kids,” and by all indications, it’s working.<sup>35</sup> Similarly, most Chinese people never drank coffee until Starbucks opened in China. Now there are more than 120 Starbucks stores in mainland China.<sup>36</sup>

Popular culture is perhaps the most pervasive aspect of cultural globalization. “The globalization of the music industry,” for example, “has . . . taken a number of forms. First it has involved the creation of transnational corporations producing and marketing records. Second, it has involved the import and export of musical products and the penetration of national markets by foreign artists and music. Third, it has in part been based on a broader transfer of styles and images that are largely rooted in American youth culture and black cultures.”<sup>37</sup> The film industry has experienced globalization as well, with U.S., Indian, French, Italian, and British films attracting audiences all over the world. The share of box office receipts that come from imported films (usually from the United States) was high by 1990 in many countries—over 60 percent in France and Japan, 80 percent in Italy, and over 90 percent in the United Kingdom and Sweden.<sup>38</sup> The story for television is similar. The TV show *Dallas* was broadcast in over 90 countries in the 1980s, the English-language version of *Sesame Street* is broadcast in over 94 countries, and 60 million people in over 60 countries watch *The Simpsons* each week. CNN is another example of the homogenization of television programming. CNN is broadcast in over 175 countries and has become an important news source for a significant number of people, including leaders.

Cultural globalization also has its linguistic form.

We can apply the idea of globalization to language in a number of ways. The first and most obvious is the diffusion of any one individual language across the globe. The second sense in which languages or language capacities have been globalized is through the diffusion of bilingualism or multilingualism, easing the transmission of cultural products and ideas. Although there are



Map: World Refugees,  
Atlas page 19

**migration** Movement  
of people across  
countries.

**refugees** Persons who  
have left their home  
country to flee political  
persecution or conflict  
conditions.

**cultural imperialism**  
Dominance of one  
country's culture over  
others.

over 5,000 languages in the contemporary world and many more dialects and regional variations, . . . ten to twelve languages [such as Japanese, German, Arabic, Russian, French, and Chinese] now account for the first language of over 60 percent of the world's population. . . . But it is English that stands at the very centre of the global language system. It has become the lingua franca par excellence. . . . It has become the central language of international communication in business, politics, administration, science and academia as well as being the dominate language of globalized advertising and popular culture.<sup>39</sup>

English is the language used for international computing and international safety procedures as well.

Cultural globalization is occurring at the personal level too, as more and more people have moved to other countries. **Migration** patterns have become global, with almost every state in the world exporting emigrants or importing immigrants. Immigration from the former Soviet Union and Eastern Europe, sealed off during the Cold War, became part of the global migratory flow once again by the 1990s.<sup>40</sup> In addition to migration, cultures come into contact with one another when **refugees**, defined as "persons who are outside their country and cannot return owing to a well-founded fear of persecution because of their race, religion, nationality, political opinion or membership of a particular social group,"<sup>41</sup> cross borders. People fleeing war conditions are also considered refugees. There were 12 million refugees in 2000, a population bigger than some states, and up from 8.4 million in 1980.<sup>42</sup> Although the worldwide refugee population reduced again to 8.4 million by the end of 2005, many states have a large "foreign" population as a result of heavy levels of migration and refugee flows, and once-distinct cultures are arguably giving way to a more shared global experience.<sup>43</sup> Worldwide tourism, "which generates jobs, offers foreign exchange, and shapes mental images of peoples and places,"<sup>44</sup> is also affecting cultural globalization and is on the rise. In the past two decades, for example, the number of people who traveled internationally more than doubled, from 287 million a year to 595 million a year.<sup>45</sup>

One aspect of globalization is the extent to which it is dominated by the United States. How much, in other words, is globalization a process of mutual homogenization, and how much is it simply Americanization? The Americanization of the world can be seen in economic globalization, since U.S.-based MNCs and products dominate the global marketplace, and in political globalization, since the United States is a major player in international institutions and the development of global norms. But it is in the cultural globalization area that charges of Americanization, and even **cultural imperialism**, are most debated. Clearly, the United States dominates cultural globalization in all aspects, from the global music industry (Madonna and Michael Jackson)

to food (McDonald's and Kentucky Fried Chicken) to films (Disney) and television (CNN) and the global predominance of the English language. Yet are Americans and American culture untouched by cultural globalization? Arguably they are not. "Foreign" food—sushi, Thai, Ethiopian—is more popular than ever before in the United States, and not just in major cities. And "according to the Italian culinary magazine *Gambero Rosso*, there are about twice as many reasonably authentic Italian restaurants *outside of Italy* as there are McDonald's restaurants *in all of the world*, including the United States."<sup>46</sup> WorldBeat music is quite popular in the United States, and two recent crazes in American youth culture were also imports: Harry Potter from Great Britain and Pokémon from Japan. Moreover, recent trends in television watching around the globe show a decline in the popularity of U.S. shows in favor of local ones. "A recent survey by Nielsen Media Research found that 71% of the top 10 programs in 60 countries were locally produced."<sup>47</sup> In sports, Michael Veseth points out that although basketball is arguably an "American" game that is going global, many players in the U.S. National Basketball Association are from other countries. He also notes that the United States does not dominate—in fact, hardly even participates in—soccer, which is more of a global sport, followed by fans in most parts of the world."<sup>48</sup> According to Joseph Nye, "The idea that globalization equals Americanization is common but simplistic."<sup>49</sup>

## Factors Behind Globalization

One of the primary factors behind contemporary globalization—economic, political, and cultural—is the revolution in technology, particularly as it pertains to communication and the information revolution.<sup>50</sup> **Distance-shrinking technologies** allow different parts of the world to be connected. People can talk with one another more easily and cheaply than ever before, they can travel to various parts of the globe more quickly, and they can share information across borders instantaneously.

For example, the number of main telephone lines in the world almost doubled between 1991 and 2001, and the number of mobile cellular phone owners increased from 16 million in 1991 to 1.7 billion in 2004. In the same time frame, the number of international telephone traffic minutes more than tripled. The changes in computer technology have made a tremendous impact on communication and information processing. In 1980, there were probably fewer than 2 million computers in the entire world, and most of them were mainframes, or very large computers. By 1991, there were about 130 million computers, and most of those were personal, or desktop, computers (PCs). From 1991 to 2004, the number of PCs grew by more than 600 percent, to 775 million. During that same time, the Internet became usable for most people with PCs, and the number of Internet users skyrocketed from 4.4 million in 1991 to 863 million in 2004.<sup>51</sup>

### distance-shrinking technologies

Communication and information tools that allow different parts of the world to be easily connected.



Map: Telecommunications, Atlas pages 30 and 31

New information technology, particularly computers and the Internet, has the ability to transform the way the people around the world communicate and interact. These technologies are an important part of economic, political, and cultural globalization. In terms of economics, new technologies have decreased transport costs and contributed to the growth of trade to unprecedented levels.<sup>52</sup> Furthermore, advances in communications have drastically increased the velocity of international financial transactions by allowing trading to occur on a twenty-four-hour basis around the world.<sup>53</sup> Technological advances have contributed to the illegal global market as well. "The largely unregulated multi-trillion-dollar pool of money in supranational cyberspace, accessible by computer 24 hours a day, eases the drug trade's toughest problem: transforming huge sums of hot cash into investments in legitimate business."<sup>54</sup>

Technology is no doubt having an impact on politics and political globalization. "The most powerful engine of change in the relative decline of states and the rise of nonstate actors is the computer and telecommunications revolutions."<sup>55</sup> In authoritarian Yugoslavia, for example, the Serbian opposition at Radio B92 used the Internet to get their message out when President Milosevic had shut the radio station down. After the cyberbroadcast, international pressure led to the reopening of the station.<sup>56</sup> Human rights groups have also used the Internet to get international attention.<sup>57</sup>

Within hours of the first gunshots of the Chiapas rebellion in southern Mexico in January 1994 . . . the Internet swarmed with messages from human rights activists. The worldwide media attention they and their groups focused on Chiapas, along with the influx of rights activists to the area, sharply limited the Mexican government's response. What in other times would have been a bloody insurgency turned out to be a largely nonviolent conflict. "The shots lasted ten days," José Angel Gurria, Mexico's foreign minister, later remarked, "and ever since, the war has been . . . a war on the Internet."<sup>58</sup>

Technology is changing the political relationships between states as well. Capturing territory, for example, is not what it used to be. After the Iraqi invasion of Kuwait, Iraq discovered that the Kuwaiti government and banks had already electronically transferred all of the money from the accounts and could use this money to help fund the ouster of the Iraqi army from Kuwait.<sup>59</sup> Technological developments, particularly the Internet, may be changing the very nature of security threats:

Increasingly, security is defined not by the numbers of weapons in place or the number of troops that can be deployed at a moment's notice but by the ability to gain or deny access to critical information. . . . Just as the concept of security is changing, so is the definition of threats. Because the Network puts extraordinary power in the hands of individuals and small groups, its

existence inevitably heightens concerns about terrorism. . . . As more and more business activity takes place on the Web, the specter of economic terrorism will also rise. For example, the existence of the Network makes it possible for malicious hackers to crash the New York Stock Exchange, to siphon billions of dollars of "digital cash" from banks, or to seize control of computers that manage electric powergrids.<sup>60</sup>

Communication revolutions are also a factor in cultural globalization. New, less costly, more efficient, and better-quality ways of storing and transmitting music, for example, mean that music can be shared more easily around the globe. Similarly, music, programs, and news can be better shared on television with the development and spread of satellites and cable television. "Both of these technologies allow television corporations to circumvent the regulatory capacity of nation-states to some degree, and to break from the national limits of terrestrial broadcasting structures."<sup>61</sup>

In general, the information revolution technologies facilitate cultural globalization. "By drastically reducing the importance of proximity, the new technologies change people's perceptions of community. Fax machines, satellite hookups, and the Internet connect people across borders with exponentially growing ease while separating them from natural and historical associations within nations."<sup>62</sup> And although language differences are an obstacle to globalization, programs on the Internet can translate webpages or search the Internet across languages. Some argue that this "will further loosen culture from its geographic moorings, thereby contributing to the creation of a free-floating cosmopolitan class that is not restricted by national identity."<sup>63</sup>

Despite the undeniable importance of technological developments in contemporary globalization, the technological factor cannot be divorced from politics. "If historical experience demonstrates anything, it is that integration is not technologically determined. If it were, integration would have gone smoothly forward over the past two centuries. On the contrary, despite continued falls in the costs of transport and communications in the first half of the twentieth century, integration actually reversed course."<sup>64</sup> Certain states, groups, and interests stand to gain from globalization and have actively pushed for globalizing technologies and policies:

While technological openings may in some sense have "driven" the process of opening markets and societies, technological advances do not occur in an economic or political vacuum. Sustained political and investment decisions drive technological advances. Scientists did not happen upon the discovery of powerful supercomputers, tiny microchips, and fiberoptic telecommunications links by accident. These advances came about through sustained investment, political, and social policy that

harnessed resources in pursuit of technological progress, and pursued technological innovation as a tool to advance economic and political goals.<sup>65</sup>

Certain states benefit more from globalization than others and have pursued decidedly proglobalization policies. In other words, “globalization is not destined, it is chosen.”<sup>66</sup> The economically liberal policies and capitalist practices of the United States (see Chapter 10), for example, mean that globalization, at least in its economic form, “is largely an American creation, rooted in the period after World War II and based on U.S. economic might.”<sup>67</sup> Historical and political factors associated with the end of the Cold War—the spread of capitalism and a largely unchallenged unipolar international system—have also facilitated globalization. Globalization, however, was probably not inevitable and is likely not irreversible. States have made other choices and still can serve as antiglobalization forces (to be discussed below). Even though, for example, the United States has done much to further economic and cultural globalization, it has recently adopted antiglobalization policies in the political realm, with its refusal to adhere to newly emerging international norms and ratify international agreements, such as the International Criminal Court and the Kyoto Protocol.

## A Historical Perspective on Globalization: How New Is It?

This summary of the evidence for economic, political, and cultural globalization and the technological developments related to it may impart the sense that we have indeed entered a completely new era of global politics. This is one school of thought on globalization, which David Held and his colleagues refer to as the *hyperglobalist thesis*. “For the **hyperglobalizers** . . . contemporary globalization defines a new era in which peoples everywhere are increasingly subject to the disciplines of the global marketplace. . . . Economic globalization is constructing new forms of social organization that are supplanting, or will eventually supplant, traditional nation-states as the primary economic and political units of world society.”<sup>68</sup> The **globalization skeptics**, for their part, point to long historical trends in arguing that globalization is not new at all.<sup>69</sup> Indeed, some say that globalization is as old as history itself. If globalization is the increase in contact of people across geographical space, then “when groups of people first came into contact with one another through conquest, trade, and migration, the globe began to shrink.”<sup>70</sup>

### **hyperglobalizers**

Individuals who believe contemporary globalization has produced a new and unique era.

### **globalization skeptics**

Individuals who believe globalization has long, historical roots.

## Historical Roots

Many skeptics point out that recent technological developments connected to globalization are simply part of long-term trends, dating back centuries from sail power to steam power, from the telegraph to the telephone, and from commercial air travel to e-mail.<sup>71</sup> And although trade and

TABLE 14.1

**Leading Economies' Dependence on World Trade (Exports and Imports as Percentage of GDP)**

	1910	1995
<i>United Kingdom</i>	44%	57%
<i>Germany</i>	38	46
<i>France</i>	35	43
<i>United States</i>	11	24

Source: Martin Wolf, "Will the Nation-State Survive Globalization?" *Foreign Affairs* (January–February 2001): pp. 178–191.

financial relations across political borders can be traced back to antiquity, early international economic relations were fairly limited.<sup>72</sup> Some skeptics (the world economic system theorists; see Chapter 1) would suggest that the sixteenth century, with the development of capitalist modes of production, is the real starting point of economic globalization.<sup>73</sup> Others use indicators from early in the twentieth century to show that connections between economies are not that different from those of today. For example, a comparison of the leading economies' dependence on world trade (exports and imports as a percentage of GDP) in 1910 and near the end of the twentieth century shows that the proportion of world production in global markets is not incredibly higher for most countries, contrary to what one might expect (see Table 14.1). The United States is the only leading economy to see a doubling of its ratio of trade to gross domestic product (GDP) during the century.

From 1870 to 1914, world trade expanded greatly, and for some commodities, such as rice and wheat, truly global markets were formalized.<sup>74</sup> During this time, Great Britain provided financial stability by supplying a gold standard to give confidence in its currency. "Indeed, for the skeptics, the classical Gold Standard era prior to the First World War is taken as a benchmark for financial globalization, in so far as they argue that the scale of net flows was greater than at any time since and that adherence to the rules of the Gold Standard meant that countries had to subordinate their domestic economic policy to a rigid set of international rules."<sup>75</sup> Of course, it was in the period after World War II that world trade levels grew at a remarkable rate, with the establishment of the Bretton Woods fixed exchange rate system and the General Agreement on Tariffs and Trade (as discussed in Chapter 10). Thus, many date the beginning of economic globalization to the immediate postwar period and view today's global economy as nothing more than the continuation of these historical trends.

In the realm of political globalization, there is also historical precedent. After all, in the age of empires—from Roman to British—large areas came under the control of imperial states (see Chapter 2), making these

areas more integrated in some ways than the sovereign state system of approximately 193 countries today:

Undoubtedly, the rapidly developing empires of Britain and of other European states were the most powerful agents of globalization in the late nineteenth century. . . . At issue was not simply an intensification of European expansion along a continuum that ran back through earlier centuries, but a new order of relations of domination and subordination among the major regions of the world, aided by new communications and transport infrastructures which facilitated new mechanisms of political control.<sup>76</sup>

The development of global governance is also not new. Even the beginning of the twentieth century witnessed the growth of organizations and regulatory regimes, such as the International Telegraph Union established in 1865, so that “by 1914 . . . significant aspects of global affairs were already subject to international regulation by world organizations . . . [which] gradually extended beyond the boundaries of Europe to embrace a global jurisdiction.”<sup>77</sup> Others would argue that political globalization really began in the 1970s with the rise of nonstate actors including the Organization of Petroleum Exporting Countries (OPEC), Amnesty International, and Greenpeace, although these too had historical precedents, the International Red Cross among them.

Current cultural globalization is a long-established trend and nothing new, say some skeptics. Empires, in addition to providing political uniformity, also homogenized cultures in various ways. Latin and Greek served as official languages, and Rome-built theaters and amphitheaters spread drama and poetry across the Roman Empire. The British Empire globalized culture as well:

At its height the British Empire was the most global of any formal empire . . . [and] there was a strong cultural . . . dimension to both the execution of British dominance and the maintenance of complex links between centre and periphery. . . . This took a multiplicity of forms, but two of the most important were the conduct of imperial educational policy and the establishment of an imperial communications infrastructure, both of which offer clear examples of the globalization of culture and communications.<sup>78</sup>

In education, for example, the English language and English ideas and cultural practice were the basis of the curriculum in the English model of education established for elites throughout the British colonies.<sup>79</sup>

Historically, religion, such as Islam and Christianity, has also served as a powerful force of cultural integration. World religions “are systems of belief and ritual that have had the capacity at crucial historical moments to reach out from their place of origin and embrace, convert and conquer other cultures and other religions. . . . World religions unquestionably constitute one of the most powerful and significant forms of the globalization

of culture in the premodern era, indeed of all time."<sup>80</sup> In the nineteenth and twentieth centuries, diverse cultures were shaped by secular globalizing ideological forces and belief systems such as socialism, liberalism, and the scientific mode of thinking that influenced peoples throughout the world.<sup>81</sup>

If immigration, in addition to technology, is a conduit of cultural globalization, then there is another reason to doubt the novelty of today's global village, as high immigration is also not without precedent. Mass migration peaked in 1815 when around 60 million Europeans emigrated. In the 1890s, immigration in the United States soared, increasing the population by 9 percent during that single decade. In the 1990s, the United States had one of the highest immigration rates in the world, but the increase in the population was only 4 percent over the decade.<sup>82</sup>

## Distinctive Characteristics of Contemporary Globalization

While it is clear that current economic, political, and cultural dynamics have historical roots and are not completely novel, most agree that there are quantitative and qualitative differences between the past and the present.<sup>83</sup> In between the hyperglobalists and the skeptics on the debate on globalization are the **transformationalists**:

Transformationalists make no claims about the future trajectory of globalization; nor do they seek to evaluate the present in relation to some single, fixed ideal-type "globalized world," whether a global market or a global civilization. Rather, transformationalist accounts emphasize globalization as a long-term historical process. . . . Such caution about the exact future of globalization is matched, nonetheless, by the conviction that contemporary patterns of global economic, military, technological, ecological, migratory, political and cultural flows are historically unprecedented.<sup>84</sup>

The distinctiveness of contemporary global politics concerns the scope and velocity of recent technological developments and economic, political, and cultural globalization. In terms of scope of globalization, more parts of the world are connected through technology than ever before. Although television, for example, has been around for a long time, it is only with recent developments in satellites and cable that more people have access to television and to programs and news from different countries. Moreover, while economic integration and liberalization increased throughout the twentieth century, it was primarily limited to the advanced economies. As discussed earlier, liberalization, trade, and investment have risen most significantly with respect to the developing world.<sup>85</sup> Overall, "today the world trading system is defined both by an

**transformationalists**  
Individuals who view globalization as both historically rooted and unprecedented.

intensive network of trading relations embracing virtually all economies and by evolving global markets for many goods and some services."<sup>86</sup>

The velocity of globalization is also distinct. "Many communications improvements have been taking place over the last century, but the contemporary speed of change, the enlargement of capacity for information (and capital) transmission and the proliferation of communications media have not been experienced before."<sup>87</sup> And although the degree of financial interdependence may not be drastically different from some past eras, the speed at which the transmission of financial exchange can take place is remarkably faster.<sup>88</sup> Efficiency has increased along with velocity, so that

there is no denying quantum changes. . . . Along with major technological breakthroughs in production systems, communications, and transportation . . . the reduction of barriers has markedly accelerated the movement of goods, services, capital, labor, and knowledge. Not only is there a major rise in the velocity of transactions, but the cost of various types of transport, telephone calls, and computers has plummeted. For example, owing to satellite technology, the price of a three-minute call from New York to London dropped from \$244.65 in 1930 to \$31.58 in 1970, and to \$3.32 in 1990.<sup>89</sup>

The degree of institutionalization of integration and coordination in political globalization may also be unique. "The nineteenth century was a world of unilateral and discretionary policy. The late twentieth century, by comparison, was a world of multilateral and institutionalized policy."<sup>90</sup>

Thus, transformationalists argue that while it is important to keep in mind the historical roots of today's global politics, it is also wise to recognize the changes that are taking place.

## Globalization and Its Discontents

While some argue that globalization is not new, others insist that it is not really happening at all.<sup>91</sup> The "globalization" processes outlined above, some say, are not truly global, but rather limited to specific parts of the world. Furthermore, the unevenness of globalization is causing devastation among those who are becoming more marginalized from the "globalizers" of the world. National and subnational cultures are under pressure, and because of this, some see a resurgence in local cultures rather than movement toward a global culture. Finally, globalization faces considerable political opposition from those who see it as a threat to their values and interests.<sup>92</sup>

### Unequal Globalization

As discussed in Chapter 11, the economic gap between the North and the South, as measured by many indicators, is worsening despite any trends

in economic globalization and, some argue, because of globalization.<sup>93</sup> This is due in part, according to the skeptics' argument on economic globalization, to the fact that the world economy is not globalized but is in fact concentrated in Europe, Japan, and North America:

For most skeptics, if the current evidence demonstrates anything it is that economic activity is undergoing a significant "regionalization" as the world economy evolves in the direction of three major financial and trading blocs, that is Europe, Asia-Pacific and North America. . . . In comparison with the classical Gold Standard era, the world economy is therefore significantly less integrated than it once was.<sup>94</sup>

Furthermore, skeptics point to the marginalization of the developing world. Overall, "the creation of a global market has resulted in a growing divide between rich and poor, with new pockets of affluence arising in areas of widespread poverty and stagnation. Rapidly changing class dynamics are often a source of friction and become especially explosive when new class disparities correspond to long-standing ethnic and religious divisions. Thus, while globalization has improved living conditions in some countries, it has also increased the risk of conflict in others"<sup>95</sup> and between the North and the South.

Part of the inequality stems from the vast differences that the North and the South have in terms of their access to the revolutions in technology.<sup>96</sup> North America, Europe, and Japan, for example, account for 75 percent of all international telephone calls. On average, individuals in the richest countries currently use 36.6 minutes of international telephone traffic per person per year, while individuals in sub-Saharan Africa average 1 minute per person per year.<sup>97</sup> Similarly, in 1992, there were 498 TV sets per 1,000 people in the developed countries, compared to 61 sets per 1,000 people in the developing world.<sup>98</sup> Access to computers and the Internet is also very uneven across regions of the globe (see Table 14.2). Within regions, there

**TABLE 14.2**

**Global Use of Computer Technology, 2004**

	Internet Hosts per 10,000 inhabitants	Internet Users per 100 inhabitants	Estimated PCs per 100 inhabitants
<i>Africa</i>	5	3	2
<i>Asia</i>	74	8	6
<i>Europe</i>	363	31	28
<i>Americas</i>	2,347	31	34
<i>Oceania</i>	1,408	48	51
<i>World</i>	422	14	13

Source: International Telecommunication Union, December 12, 2006, <http://www.itu.int/ITU-D/ict/statistics/>.

are significant differences as well. In Asia, less than 1 percent of people in Bangladesh and Cambodia use the Internet, compared to 65 percent in South Korea. In the Americas, the United States has twice as many Internet users as do the other 42 countries in the region combined.<sup>99</sup>

This inequality in access to technological developments contributes to the growing economic inequalities between the North and the South. It also means that much of the world is simply not part of the “global” culture that is supposedly developing.

Political globalization is arguably not truly global either. Indeed, “international civil society remains embryonic. Many nongovernmental organizations reflect only a tiny segment of the populations of their members’ states. They largely represent only modernized countries.”<sup>100</sup> Furthermore (as discussed in Chapters 9 and 11), international organizations such as the United Nations and the International Monetary Fund are often criticized by the South for being dominated by the North and their interests rather than truly global governing organizations.

## Nationalism as a Countertrend

Another argument against the development of a globalized world, particularly a global culture, concerns the presence and persistence of local and national loyalties and identities:

Globalization has not profoundly challenged the enduring national nature of citizenship. Economic life takes place on a global scale, but human identity remains national—hence the strong resistance to cultural homogenization. Over the centuries, increasingly centralized states have expanded their functions and tried to forge a sense of common identity for their subjects. But no central power in the world can do the same thing today, even in the European Union. There, a single currency and advanced economic coordination have not yet . . . resulted in a sense of postnational citizenship. The march from national identity to one that would be both national and European has only just begun. A world very partially unified by technology still has not collective consciousness or collective solidarity.<sup>101</sup>

Perhaps ironically, revolutions in global communication, such as the Internet, may drive people apart rather than bring them together: “The ability the Net gives us to endlessly filter and personalize information means that, more than ever before, we can also build virtual gated communities where we never have to interact with people who are different from ourselves.”<sup>102</sup>

Even in countries where access to global technologies and information is the highest, such as in the United States, global culture is not necessarily taking root. “Compared with their counterparts in other nations, citizens

born in the United States know fewer foreign languages, understand less about foreign cultures, and live abroad reluctantly, if at all."<sup>103</sup>

Access to international news has not resulted in a more globally informed population. Indeed, most newspapers and news broadcasts around the globe are dominated by local stories.<sup>104</sup> This domination of news sources by local stories has probably always existed, but curiously it seems to have become more pervasive following the end of the Cold War. At the same time that new communication technologies have made it far easier to link events and people separated by large geographic distances, people in many countries seem to have become less interested in that available information.

Not only are subglobal identities persisting despite trends in globalization, they may be stronger. Indigenous peoples, such as those in Chiapas, Mexico, are uniting to fight against what they see as a threat to their local culture. As discussed in Chapter 12, the timing of the Zapatista-led revolution in Chiapas, to coincide with the day the North American Free Trade Association (NAFTA) went into effect, was a shot across the globalization divide. Others oppose the Americanization or Westernization of globalization. The French and the Canadians, for example, have passed recent laws to provide for minimum quotas for domestic films shown in cinemas and domestic musicians broadcast over radio airwaves. Many adherents to fundamental versions of religions, such as Islam, oppose the dominance of Western values; some are opposing this with terrorist acts (see Chapter 7).<sup>105</sup> And (also discussed in Chapter 7) ethnic conflicts became particularly pervasive, severe, and consequential immediately following the Cold War. Ethnic strife continues to threaten the integrity and even the existence of a set of countries that girdles the globe.

Many globalization skeptics believe that advances in fundamentalism and nationalism mean that "rather than the emergence of a global civilization, . . . the world is fragmenting into civilizational blocs and cultural and ethnic enclaves."<sup>106</sup> Samuel Huntington, in his influential 1996 article, "**The Clash of Civilizations?**" argued that in the future, global conflict will revolve around differences in "civilizations," such as Western, Confucian, Japanese, Islamic, Hindu, Slavic-Orthodox, and Latin American. According to Huntington, "The interactions between peoples of different civilizations are increasing; these increasing interactions intensify civilization consciousness and awareness of differences between civilizations and commonalities within civilization."<sup>107</sup>

In another influential work, *Jihad vs. McWorld*, Benjamin Barber characterized the fragmentation of the world along conflicting identities. He wrote that there is a "grim prospect of a retribalization of large swaths of humankind by war and bloodshed: a threatened balkanization of nation-states in which culture is pitted against culture, people against people, tribe against tribe, a Jihad in the name of a hundred narrowly conceived faiths against every kind of interdependence, every kind of artificial social cooperation and mutuality: against technology, against pop culture, and against integrated markets."<sup>108</sup> Yet he also acknowledged the forces of globalization,

**"The Clash of Civilizations?"** Title of article by Samuel Huntington asserting that future global conflict will revolve around cultural differences.

stating that there was also prospect for a “future in shimmering pastels, a busy portrait of onrushing economic, technological, and ecological forces that demand integration and uniformity and that mesmerize peoples everywhere with fast music, fast computers, and fast food—MTV, Macintosh, and McDonald’s—pressing nations into one homogeneous global theme park, one McWorld tied together by communications, information, entertainment, and commerce.”<sup>109</sup> Barber’s primary thesis was that what is unique about current global politics is that these forces of disintegration and integration were occurring simultaneously and at very high levels: “caught between Babel and Disneyland, the planet is falling precipitously apart and coming together at the very same moment.”<sup>110</sup>

Even if globalization is not actively opposed by nationalist, local, or civilization identities, these alternatives provide a check on homogenization.<sup>111</sup> As one group of globalization analysts argue,

we agree that some things become more similar around the world as globalization proceeds. . . . But we do not think this leads to a homogeneous world, for three reasons. First, general rules and models must be interpreted in light of local circumstances. Thus regions respond to similar economic constraints in different ways; . . . the same television program means different things to different audiences; McDonald’s adapts its menu and marketing to local tastes. Second, growing similarity provokes reactions. Advocates from many cultures seek to protect their heritage or assert their identity—witness the efforts of fundamentalists to reinstate what they consider orthodoxy, the actions of indigenous peoples to claim their right to cultural survival, and the attempt of Asian leaders to put forth a distinctive Asian model of human rights. Third, cultural and political differences have themselves become globally valid. The notion that people and countries are entitled to their particularity or distinctiveness is itself part of global culture.<sup>112</sup>

## Other Sources of Opposition to Globalization

The developing world and national and ethnic identities are not the only factors working in opposition to globalization. As discussed in Chapter 10, labor groups are often critical of multinational corporations, the flag-bearers of economic globalization, charging that in the process of globalizing production, MNCs create high unemployment in areas they leave and exploit workers in areas where they relocate. Local producers also criticize MNCs and economic globalization, warning that local “mom-and-pop” grocery stores, cafés, and cinemas are being crowded out by chain stores with a global reach. Other criticisms come from environmentalists. While political globalization includes new and more extensive international agreements to protect the environment,

economic globalization is often seen as the cause of environmental problems:

Although contemporary environmental abuses have their antecedents in earlier periods of history, globalization coincides with new environmental problems such as global warming, depletion of the ozone layer, acute loss of biodiversity, and forms of trans-border pollution (e.g., acid rain). . . . Moreover, some ecological problems are clearly the result of global cross-border flows, as with certain kinds of groundwater contamination, leaching, and long-term threats traceable to importing hazardous wastes.<sup>113</sup>

Environmentalists also contend that economic globalization involves “the spread of a global consumer culture that . . . embodies a world view unconcerned with the ecological consequences of human economic activity.”<sup>114</sup>

On many issues, the labor and environmental movements have not agreed. But along with other groups that oppose globalization, they have found common ground. The first sign of this new coalition against globalization came in 1999 in Seattle at a meeting of the World Trade Organization. Known as the Battle for Seattle, the protests involved an estimated 10,000 representatives from labor unions, environmentalists, farmers, consumer activists, religious people, women’s activists, student groups, and anarchists. The protests blocked WTO representatives from attending negotiation meetings and, in the end, the WTO was forced to close the meeting without even a final formal declaration, partly due to the protests. “It was a surprise ending to a week of stunning developments, in which the opponents of WTO-facilitated corporate globalization exerted more influence over the negotiating process than any could have expected.”<sup>115</sup> The next year, a similar coalition of interests produced a quarter of a million protesters at the G8 economic meeting in Genoa, Italy. One activist, Tony Juniper of Friends of the Earth UK, explains the evolution of the “antiglobalization” coalition from the environmentalists’ perspective:

For the past 10 years we’ve been locating ourselves more in the bigger economic debate and less in the “save the whales” type of debate. Talking about rainforests led us into talking about Third World debt. Talking about climate change led us to talk about transnational corporations. The more you talk about these things, the more you realize the subject isn’t the environment any more, it’s the economy and the pressures on countries to do things that undercut any efforts they make to deal with environmental issues. By the time we got to Seattle, we were all campaigning on the same basic trend that was undermining everybody’s efforts to achieve any progressive goals. That trend is the free market and privileges for big corporations and rich people at the expense of everything else.<sup>116</sup>

South Korean protesters marched in an anti-WTO demonstration in Hong Kong in December 2005. Such protests have occurred with regularity at recent meetings of the WTO and other organizations associated with economic globalization. (© Ryan Pyle/Corbis)



The backlash against globalization is important because it will likely shape the future of globalization. It is not necessarily the case that globalization proceeds in a linear fashion and cannot be reversed.<sup>117</sup> Indeed, despite the presence of more and more globalizing technologies throughout much of the twentieth century, parts of the world at times become more economically isolated (as in the 1930s) or more politically isolated (as during the Cold War). This is because groups favoring integration engaged with groups against integration in political battles, and the anti-integration interests often won. Similarly, the debate over contemporary globalization will be characterized by advances by both pro- and antiglobalization forces. The Policy Choices box summarizes some of the arguments in this debate.

## Globalization and the State: The Future of World Politics

Another potential source of opposition to globalization is sovereign states. After all, if globalization continues on the path that many predict, state borders will become meaningless, states will lose their power to nonstate actors, and sovereignty will no longer be the dominant principle of world politics, as it has been since the Treaty of Westphalia in 1648. Many say this has already occurred (recall the discussions on multinational corporations and other nonstate actors in Chapter 4). Others argue that the state is still strong, able to resist and even benefit from globalization.



**ISSUE:** States face choices with respect to how much their policies promote or limit globalization. Many face substantial opposition to globalization-promoting policies from environmentalists, human rights groups, and labor unions, for example. Many states are also concerned about the effects of globalization on their own sovereign authority.

**Option #1:** States should pursue policies that promote globalization.

**Arguments:** (a) Globalization is good business. State economies will profit if political restrictions on trade and financial flows are reduced, and consumers will have more choice at less cost for products from around the world. (b) If states embrace globalization, the capacity of state leaders to needlessly and heartlessly coerce their citizens will be diminished. Citizens will become central, respecting human rights will become the norm, and individual liberty will flourish at the expense of dictators and despots. (c) Globalization allows solutions to the growing list of humankind's interconnected problems. International organizations and NGOs are in a better position than states to help solve global challenges such as environmental degradation.

**Counterarguments:** (a) Removing barriers to legitimate economic activities has unacceptable costs. Terrorism, drug trafficking, international crime, and the nearly free flow of nuclear materials will increasingly flourish as globalization expands. (b) Globalization affords new opportunities for those attempting to suppress individual liberties. Technology is ultimately under the control of the state, which can use it to suppress human rights. (c) Nonstate actors such as the United Nations and various NGOs do not have a good track record for solving problems and are not accountable to any constituency.

**Option #2:** States should limit or reverse policies that contribute to globalization.

**Arguments:** (a) Limiting or reducing the global perspective in state policies would refocus attention where political decisions rightly belong: on the domestic front, where states have the most insight and ability to improve the lives of their citizens. (b) States exist on the basis of sovereignty and are almost by definition dedicated to its preservation. Although individual citizens may wish to transcend their state boundaries, states themselves would be well served to limit losses to their sovereignty due to globalization, lest they find themselves unable to carry out necessary functions of good government. (c) Increasing globalization is simply another means by which rich and powerful states can further advance their already enviable positions. States that now find themselves at a disadvantage in the system should struggle relentlessly to prevent further disparities, not to encourage them.

**Counterarguments:** (a) Globalization should not be seen as a competitor to domestic politics, but rather as a resource by which citizens can improve their lives and their futures. (b) The fact of globalization has already reduced the sphere of effective policymaking for states, favoring markets, nonstate organizations, and individuals. States thus have less and less control over a global phenomenon such as globalization. Any state that individually seeks to limit globalization is not likely to have an appreciable impact. (c) Globalization is in large part a consequence of an increasingly competitive global market. If states limit or reverse globalization policies, especially economic ones, they will find themselves at a disadvantage, and their citizens will suffer the economic consequences.

## “The State Is Dead”

According to the “hyperglobalists,” globalization dynamics, particularly those associated with economic globalization, signal the eventual end to the sovereign state.<sup>118</sup> “Hyperglobalizers argue that economic globalization is bringing about a ‘denationalization’ of economies through the establishment of transnational networks of production, trade and finance. In this ‘borderless’ economy, national governments are relegated to little more than transmission belts for global capital, or ultimately, simple intermediate institutions sandwiched between increasingly powerful local, regional and global mechanisms of governance.”<sup>119</sup>

There are numerous ways in which the state is challenged by economic globalization. First, the rapid exchange of goods, services, and capital on the global market might undermine the abilities of governments to control inflation and unemployment through national policy. Second, the mobility of labor, production, and capital might undermine states’ effectiveness at establishing employment, safety, and environmental standards. Third, greater interdependence means that national economies, on whose fate governments rest, are more vulnerable to shocks and crises from abroad, with greater consequences at home.<sup>120</sup> Finally, the rise of global governance in the international political economy challenges state authority. “The global regulation of trade, by bodies such as the WTO, implies a significant renegotiation of the Westphalian notion of state sovereignty.”<sup>121</sup>

The growing illegal marketplace and the associated growth of globalized organized crime is also a challenge to state authority. Early in 1990, Italy’s parliamentary Anti-Mafia Commission sent a message to the UN General Assembly to the effect that organized crime was “taking on the characteristics of an extremely dangerous world calamity”:<sup>122</sup>

Modern criminal power has surpassed the ability of governments to contain it. International organized crime is too big; nobody knows how to deal with it. Perhaps it cannot be dealt with as long as the world is divided into nearly two hundred sovereign states. While the big crime syndicates simply go where the money is, sovereign states cannot do anything simply. . . . Obviously the mafias of the world cannot be fought on these terms. The question is how far sovereign states can go toward a planetwide defense against this planetwide assault.<sup>123</sup>

In addition to international economic organizations such as the WTO that represent a challenge to states, there are other forms of global governance that arguably threaten state sovereignty:

Until recently, international organizations were institutions of, by, and for nation-states. Now they are building constituencies of their own and, through NGOs, establishing direct connections to the peoples of the world. The shift is infusing them with new life and influence, but it is also creating tensions. States feel they

need more capable international organizations to deal with a lengthening list of transnational challenges, but at the same time fear competitors. Thus they vote for new forms of international intervention while reasserting sovereignty's first principle: no interference in the domestic affairs of states. . . . At the same time, governments . . . have driven some gaping holes in the wall that has separated the two. . . . International accords . . . drew explicit links between democracy, human rights, and international security, establishing new legal bases for international interventions. In 1991 the U.N. General Assembly declared itself in favor of humanitarian intervention without the request or consent of the state involved. A year later the Security Council took the unprecedented step of authorizing the use of force "on behalf of civilian populations" in Somalia. Suddenly an interest in citizens began to compete with, and occasionally override, the formerly unquestioned primacy of state interests.<sup>124</sup>

Contemporary migration is another challenge to states. If they are unable to stop it, illegal immigration demonstrates the inability of states to maintain their own borders, the territorial expression of sovereignty.<sup>125</sup>

States are being challenged by cultural globalization as well. Governments that want to control the political culture of their citizens by, for example, limiting their access to liberal values and Western media, are having more difficulty doing so with new technological developments. It is not, however, cultural globalization that threatens states as much as the backlash to a global culture. As national and local identities resist homogenization of culture, "regions as far-flung as Catalonia, Northern Italy, Quebec, and Scotland, . . . provinces in China, and [regional] states in India, have taken globalization as their cue to pursue greater autonomy within the nation-state."<sup>126</sup>

### "Long Live the State"

The globalization skeptics caution against exaggerating the impact of current economic, political, and cultural trends on the sovereign state. "Far from considering national governments as becoming immobilized by international imperatives, they point to their growing centrality in the regulation and active promotion of cross-border economic activity. Governments are not the passive victims of internationalization but, on the contrary, its primary architects."<sup>127</sup>

The state, for example, continues to control economic policy areas. "In . . . various ways 'globalization' does inhibit governments' freedom of maneuver in economic policy but it does not eliminate it. Governments can do much to make their economies more or less attractive to investors: by supporting infrastructure development, education and training; increasing the efficiency and lowering the cost of services through competition or regulatory change; and improving the workings of labour markets."<sup>128</sup> Furthermore, states often have a choice, and their

choice is not necessarily determined by globalization forces. “There is a tendency to exaggerate the impact of globalization. Many of the constraints on national freedom of action are self-imposed.”<sup>129</sup> Joining the single currency or pegging one’s currency to the dollar is a choice some governments make, and some do not (see Chapter 12).

It is the states themselves that have been the architects of international agreements that constrain them. “Global governance will come not at the expense of the state but rather as an expression of the interests that the state embodies. As the source of order and basis of governance, the state will remain in the future as effective, and will be as essential, as it has ever been.”<sup>130</sup> And as discussed in Chapter 4, state interests and the interests of MNCs and NGOs are not necessarily in conflict, but when there is a conflict of interests, states can still prevail.

The technological revolutions associated with globalization are not inherently a challenge to state authority. “Ironically, the technology that is supposed to make globalization inevitable also makes increased surveillance by the state, particularly over people, easier than it would have been a century ago.”<sup>131</sup> States can use technology to enhance their power. Saudi Arabia, for example, filters out “objectionable” material, and Iran limits chatrooms so that only two people can speak with one another.<sup>132</sup> China and Burma have imposed strict penalties for individuals using the Internet and fax machines for “subversive” purposes.

States also have the power to undermine technologies that NGOs use:

Encryption, for example—the technology that allows communications to be scrambled and kept private—is a vital tool of human rights work; it allows fieldworkers to collect, transmit, and store communications in a way that does not compromise the safety of victims and witnesses. If governments outlaw or restrict strong encryption, human rights workers and their clients will be deprived of an important digital asset that would help them to take on corrupt powers.<sup>133</sup>

Overall, despite historical technological change and integration, states have not become weaker political units. “On the contrary, in the countries with the most advanced and internationally integrated economies, governments’ ability to tax and redistribute incomes, regulate the economy, and monitor the activity of their citizens has increased beyond all recognition. This has been especially true over the past century.”<sup>134</sup>

## Understanding the Future of Globalization and the State

The transformationalist viewpoint lies in between the predictions that the state will wither away and the contentions that the state is strong, or even stronger today than ever before:

At the core of the transformationalist case is a belief that contemporary globalization is reconstituting . . . the power,

functions and authority of national governments. . . . Rather than globalization bringing about the “end of the state”, it has encouraged a spectrum of adjustment strategies and, in certain respects, a more activist state. Accordingly, the power of national governments is not necessarily diminished by globalization but on the contrary is being reconstituted and restructured in response to the growing complexity of processes of governance in a more interconnected world.<sup>135</sup>

So what kind of world will this restructuring produce? Admittedly, “after three and a half centuries, it requires a mental leap to think of world politics in any terms other than occasionally cooperating but generally competing states, each defined by its territory and representing all the people therein. Nor is it easy to imagine political entities that could compete with the emotional attachment of a shared landscape, national history, language, flag, and currency.”<sup>136</sup> To take this mental leap, we return to the theoretical perspectives introduced in Chapter 1. Globalization is in many ways a challenge to these perspectives since most of them were conceived before the shape of current global politics could be seen. Accordingly, most of these perspectives do not have a clear answer on what the future of the world will be. What these perspectives can do for us, however, is provide a list of factors that will likely be important in the restructuring of world politics and the debate over globalization. In Chapters 2 and 3, we used these perspectives to look at the history of international relations through different lenses. Each perspective focused on different time periods and the meaning and importance of historical events. Similarly, in this chapter, each of the theoretical perspectives can comment on the future of globalization. Each perspective stresses different dynamics that are significant to the future of the world political system. Table 14.3 summarizes the aspects of globalization that each perspective emphasizes.

Realism would agree with the skeptical argument on the state, as outlined above. For realists, the state will, and should, jealously guard its sovereign power and seek to increase it when it can. States are expected to oppose any efforts or processes that are a threat to their autonomy. The U.S. opposition to the International Criminal Court is consistent with the realist perspective. Realists would also argue that there is more historical continuity than change in global politics. “The ‘realist’ orthodoxy insists that nothing has changed international relations since Thucydides and Machiavelli: a state’s military and economic power determines its fate; interdependence and international institutions are secondary and fragile phenomena.”<sup>137</sup> While realists would not deny the growing number of MNCs and NGOs on the world scene, they would maintain that the primary actors remain states and the dominant factor that underlies international politics remains the competition for power among states. When the interests of nonstate and state actors collide, realists would argue that states maintain the capability and the will to prevail. Thus, the dominant

TABLE 14.3

## Theoretical Perspectives on Globalization

Theory	Emphasized Aspects of Globalization
<i>Realism</i>	States can and will protect sovereignty; power remains the currency of global politics
<i>Liberalism</i>	Global politics continues to be transformed by interdependence; individuals will challenge traditional authority structures
<i>Idealism</i>	Human rights and other liberal values will spread; debates over values underlie globalization
<i>World economic system analysis</i>	Globalization rooted in historical spread of capitalism; unevenness of globalization fuels class divisions
<i>Constructivism</i>	Construction of international norms underlies globalization; some values and ideas are privileged over others in defining globalization
<i>Feminist perspectives</i>	Globalization has gendered economic consequences; globalization spreads ideas of gender equality

theme of the future for realists is the continual reassertion of sovereignty as the defining characteristic of states.

Liberalism, as a theoretical perspective, is better equipped to deal with current and future globalization processes. Whereas realism stresses continuity, contemporary liberalism sees great change and emphasizes the transformation of global politics that has arisen from the development of complex interdependence in the second half of the twentieth century. Liberalism would expect that as the degree and scope of interdependence continue to increase, states will have to coordinate their activities further,<sup>138</sup> nonstate and substate actors will become increasingly important, traditional matters of security will become less important on the international agenda (replaced by transnational issues such as environmental problems), military force will become even less frequent and less effective, and institutions of global governance will take on more functions once reserved by states. Globalization is, however, more than interdependence, as discussed at the beginning of this chapter. What, then, does the liberal theoretical perspective contribute to our understanding of globalization, beyond the observations it made about interdependence in the 1970s? Here, liberals return to their roots of classical liberal philosophy and stress the importance of individual interests and rights. Liberalism would expect that values of freedom, for example, will continue to spread and elevate the status of the individual in world politics through democratization, freedom of movement, and human rights above state rights. "The long-standing pattern whereby compliance with authority tends to be unquestioning and automatic is conceived to have been replaced by a more elaborate set of norms that make the successful exercise of authority much more problematic. . . .

By virtue of their newly acquired skills, people are more able and ready to question authority, and in turn the new authority relationships have facilitated the development of new, more decentralized global structure.<sup>139</sup> In this regard, the dominant theme of the future for liberalism is the transformation of the political system through new authority relationships.

Sharing some of liberalism's philosophical roots, idealism would also expect more emphasis on human rights and values of freedom. Idealism, with its focus on values over interests, would expect the debate over globalization, and hence the future path that globalization takes, to be heavily determined by values. Debates over cultural imperialism, the ethics of humanitarian intervention, and the value of local cultures and indigenous peoples will drive the political struggles over economic, political, and cultural globalization in the future, according to the idealist perspective.

The world economic system perspective has something to say about globalization as well. According to this theory, globalization is not necessarily new, but is instead rooted in the development of capitalism in the sixteenth century. From that time, states have not been the most important actors in global politics. Instead, class divisions between the core in the North and the periphery in the South were the dominant feature of the world economic and political system. Contemporary globalization then is simply the intensification of this historical pattern—further spreading the capitalist mode of production—and the global class conflict between the developed and developing world will be the dominant theme of the future. The unevenness of globalization will continue and will be the source of this conflict.

From the constructivist perspective, globalization is what states, and nonstate actors, make of it. In other words, it is not the actual reality of economic, political, and cultural globalization that is important; it is how these processes are being socially constructed, or understood, in the world society. Thus, the important thing to know about globalization and its future is how it is being interpreted and shaped by actors and the social context. Constructivists would want to know: Who is defining what globalization means? How are some cultural values and norms, such as those promoted by Disney and McDonald's, becoming privileged to be part of the global culture while others are not? How are new international norms such as human rights becoming internalized by states and defining their interests and identities? The future of globalization and the future of the state are not determined by actors' interests but rather by how global politics is constructed along the way.

Feminist perspectives are also interested in how the features and concepts of globalization are constructed and have hidden assumptions about gender and gender relations. Some feminists worry, for example, that economic globalization, since it involves the spread of economic liberal ideas of individual interests rather than community interests, is a process that reflects masculine understanding more than feminine understanding and relations. Other feminists concentrate on the consequences of globalization for women. Since women make up a disproportionate number of the poor,

particularly in the developing world, feminists often oppose globalization that contributes to widening the gap between the North and the South.<sup>140</sup> On the other hand, if globalization means diminished power for states, which are largely controlled by men, and the diffusion of norms that promote gender equality, feminists would see positive signs for women in globalization. In a systematic analysis of the effects of globalization on women, one study concluded that “global norms and institutions make a difference for the quality of life and status of women. . . . [W]hen domestic cultures are more open to international influences, outcomes for women improve, as measured by health, literacy, and participation in the economy and government.<sup>141</sup> Overall, the feminist perspective would stress the relations between men and women and the gendered understandings of those relations as an important part of the evolution of the future of global politics.

## SUMMARY

- Globalization is arguably the most important process affecting relations between states and nonstate actors today. It refers to the high degree of interdependence between people and other actors and the homogenization of economic, political, and cultural life across the globe.
- Economic globalization involves moving toward a global marketplace. Evidence for economic globalization includes unprecedented levels of trade, including trade in services, high levels of international financial flows, including worldwide foreign exchange, the growing importance and presence of multinational corporations, and a growth in globally integrated crime. Economic relations are more global today than before the end of the Cold War, as developing countries, former Communist countries, and current Communist countries (like China) are participating in trade and financial flows to a greater extent.
- Political globalization involves new political actors and transnational political activities in a new system of global governance. The United Nations and other international organizations are part of this system and are engaging in policies that increasingly challenge state sovereignty. NGOs are also more influential and provide representation and services across borders. International and nongovernmental organizations are helping to create, and at times enforce, global norms, such as human and democratic rights.
- Cultural practices are becoming globalized as people are listening to the same music and watching the same television programs and films. The English language is facilitating the spread of cultural values and practices, as are high levels of migration, refugees, and worldwide tourism. While the majority of instances of cultural globalization are of American products, values, and practices becoming part of non-American cultures, Americans too are being exposed to other cultures.

- Technological developments, particularly revolutions in communication such as satellites, computers, and the Internet, are an important engine behind globalization as they make it easier for economics, politics, and cultures to cross borders.
- While hyperglobalists argue that globalization is without precedent, skeptics point to the historical roots in economic, political, and cultural relations. International finance and trade at the turn of the century, for example, in some ways integrated states to a greater degree than they do today, and empires, particularly the British empire, globalized politics and culture in previous times. Transformationalists recognize these historical roots but argue that there is something quantitatively and qualitatively distinct about current globalizing dynamics that are transforming world political relations. Many point to the scope and velocity of these current dynamics as distinct features of globalization today.
- Skeptics point out that the scope of globalization is not really that global, given the vast differences in economics, politics, culture, and access to technology between the North and the South. Many argue that globalization is in fact further marginalizing the developing world, and many opponents to globalization can be found in the South. Others oppose globalization because they see it as a threat to local and national loyalties, and the persistence and growth of nationalism in recent years is an important countertrend to cultural globalization. Other sources of opposition to globalization are labor and environmental groups.
- The debate over globalization involves the relationship between global forces and the sovereign state. Some see current trends culminating in the eventual end to the state in a borderless world. Others argue that states are able to counter some losses to their power and are even the engines behind globalization. The various theoretical perspectives on world politics point to different aspects of the state-global relationship in the future. Realists, for example, bet on the state to survive, and control, globalization. Liberals focus more on nonstate actors, particularly individuals and their new ability to challenge the authority of states.

## KEY TERMS

economic globalization 490  
 political globalization 494  
 global governance 494  
 cultural globalization 495  
 migration 497  
 refugees 497  
 cultural imperialism 497

distance-shrinking technologies 498  
 hyperglobalizers 501  
 globalization skeptics 501  
 transformationalists 504  
 “The Clash of Civilizations?” 508