Various aspects of globalization

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Globalization is not a single phenomenon, but a catch-all concept to describe a wide range of forces

- Economic
- Technological
- Political
- Cultural
- Social and environmental
Economic dimension

expansion of economic activities across the boundaries of nation states, increasing economic integration and growing economic interdependence between countries of the world

• **world capitalist economy** - the main centres of power in the world economy are capitalist states (capitalist economic enterprise is the chief form of production)
  • wide scope of the activities of business corporations with home base within a particular state is in different locations, regions or countries
  • the biggest transnational companies have budgets larger than some nations
  • the economics of globalization considers largely the internal costs and ignores the external cost involved in it, e.g. environmental or social aspects
International vs. global economy

• **International economy** = importance of national economies working as units under national states, it concerns activities that take place among various ‘national economies’.
  - began with the voyages of discovery of the European maritime powers
  - process accelerated by the spread of industrialization in the 19th century (mainly between 1870 and 1914 when transportation and communication networks expanded rapidly which lead to the significant growth and increase in the level of interdependence between rich and poor nations)

• **Global economy** = unity of globe where geographical distance is no longer obstacle to economic activities, it implies aggregation of the movement of goods and services worldwide together with the movement of technology information and currencies
  - establishment of international organizations, e.g. International Monetary Fund, World Bank and International Trade Organization which accelerated the 2nd stage of globalization
Steps that accelerated globalization in 90s

In Europe:
• creation of the EU and single market in 1993
• Establishment European Economic Area for free trade including 380 million people and accounted for 40% of world trade in 1993 (12 members of the EC and 7 members of EFTA)

In world:
• Political changes (end of the Cold war)
• Multilateral Trade Negotiations, e.g. the signature on First Act Embodying the Results of the Uruguay Round (in April 1994) official foundation of first real concept of borderless global economy
  • Reduction of tariff barriers and non tariff barriers, e.g. elimination of safeguarding, antidumping restrictions and voluntary export restraint
Global economic convergence

includes:

• **global integration of products** (manufacturing companies conduct planning, production and joint research with companies of many different nationalities and outside their home countries)

• **global integration of financial markets** (through currency trading, banking and loans and investment in bonds and equity)

• expansion of **global division of labour** (industry based on division of labour, e.g. on the level of job tasks, on regional specialisation in terms of type of industry, skills, and the production of raw materials)

Main impacts?

• diverse in different areas of the world giving rise to concentration and marginalization phenomena (the increased import of capital goods will lead to increased inequality)
Technological dimension

- **new technologies play a fundamental part in making globalization possible**
  - especially means for transportation, communication without aeroplanes, telephones, satellites, computers and televisions it would not be possible to transfer information from one place to another

- pace of globalization and that of technological change have in fact been strictly interrelated

  new technologies are necessity for economic and social globalization, in turn, globalization, while facilitating the circulation of people, goods, capital and above all, ideas and knowledge, allows for the sustenance of a historically unprecedented rate of technological change

- **worldwide diffusion of technologies**
  - in the spheres of production
  - in day-to-day life of every person

- **rising importance of global technological collaborations**
Cultural dimension

- now cultural values and norms are shared and adopted among people in a way where we are giving **rise to one global culture**
- globalization has produced **complex interactions between different cultures**
  - one that refers to flows of people such as tourists and immigrants
  - one that includes technology and academics that cross boundaries
  - one that refers to mass media technology and images
  - one that refers to images but specifically to the political and ideological aspects
Western culture or even Americanized World has diffused to all parts of the world

- consumption has become the principal work of late industrial society, e.g. all kinds of goods and services including literature, cinema, music, food, clothing...
- emergence of English as the dominant language

The role of media and communication is significant in its diffusion

- media have a central place in globalization for three reasons:
  1. media corporations have increasingly globalized their operations
  2. global communication infrastructure facilitates global information flows
  3. global media play a key role in how we view events across the world in developing shared system of meaning

- contemporary method of communication was altered by the new phenomena such as participatory journalism, online communities and online networks
Two different trends

1) Globalization **undermines and fosters cultural diversity**, whole segments of the world population feel that their unique histories and the values that govern their communities are under threat - it threatens to turn the enriching dialogue of cultures into a monologue

→ the effort to preserve the identity of peoples and social groups that feel threatened by the tendency towards cultural homogeneity = “**right to be different**”

**BUT**

2) globalization builds closer relationships among different cultural traditions and ways of life, and **promotes a plurality of interpretations of the global order**

→ interaction opens up cultural opportunities, including those related to the mixture of different cultures, to new and varied groups and individuals.
Ethical and cultural dimensions

Globalization of values
• the gradual spread of shared ethical principles, manifested most clearly in declarations on human rights
• main dimensions:
  • (i) civil and political rights, by virtue of which individuals have autonomy from the power of the state and are entitled to participate in public decision-making (rooted in the liberal movements of the late 18th century)
  • (ii) economic, social and cultural rights, which reflect the values of economic and social equality, solidarity and nondiscrimination (product of the social movements of the 19th and 20th centuries)
  • (iii) the recognition of women’s equal rights or minorities rights
  • (iv) sustainable development principles incorporated since 60s into national and international agendas
• the formation of a “global civil society” (whose capacity for mobilization and the exchange of information has been multiplied by the new information and communications technologies)
• the accession to United Nations human rights conventions by a growing number of governments

• The Millennium Declaration is one of the most comprehensive expressions of the principles agreed upon at those summits
Political dimension

far-reaching changes in recent decades:

• erosion of the former role and power of the nation-state (BUT i.e. the role of the social state as a generator of technological and institutional externalities is and will remain very important)

• many states organized themselves into blocs emergence of supranational institutions, i.e. the European Union, the WTO, the G8, they replaced or extended the national functions to facilitate international agreement

• predominance of the United States, European efforts to form a bloc capable of playing a leading role in global economic and political life, the setbacks suffered by Japan, the increased prominence of China and India

• dramatic change in the climate prevailing among sovereign states the exacerbation and increased visibility of a number of local conflicts generated international tensions of a very different nature

• the growth of terrorism (seen as a response from certain groups of people who were neglected and humiliated for centuries, emergence of many terrorist networks across world accelerated with the ultra modern technology)
• representative democracy in a position of unparalleled predominance (an acceptance of the principles of pluralism, alternation of power, division of the powers of the state, election of authorities as a basis for legitimacy and recognition of the majority and respect for minorities)

\textbf{democracy is seen as the ultimate form of political stability by the Western world} (connected to values of freedom, liberty, tolerance, attempts to establish democracy in those countries where there was autocratic rule)

\textbf{BUT}

• questions raised with respect to the functioning of all democratic institutions in societies where information, “image” and the power of money play a fundamental role (these criticisms extend to political parties, legislatures, the relationship between voters and representatives, and even the very meaning of politics, mainly in the parts of the developing world)
• the increased influence of NGOs in public policy like humanitarian aid, developmental efforts

• the rise of global civil society (which often protests against capitalism)
World military order

• **massive destructive power** of modern weaponry was achieved after the WWII

• during the Cold War a **bipolar system of military alliances of truly global scope** was built (the countries involved in these alliances necessarily accept limitations over their opportunities to forge independent military strategies externally)

• the influence of any particular state within the global political order is strongly **conditioned by its level of wealth and its military strength**

• almost all states possess military strength far in excess of that of even the largest of pre-modern civilisations (many economically weak Third World countries are militarily powerful!!!!!!!!)
Social dimension

• social change being one of the major spheres of impacts of globalization it involves the process of extension and intensification of human activities, relations and networks across globe and it has impacts on the life and work of people, families, communities and societies

• it includes gender (participation of women in all fields), employment, working dimensions, income, social protection, the idea of social justice, minorities

• Current trend: the social structure of different societies influenced by Western structures (with respect to the language, social norms, morality, civic sense)
Environmental and ecological dimension

• debate has been for a long time almost entirely economic

• the biosphere is a single system (=life has always been globalized), although with many decentralized components in the diverse ecosystems that have evolved on this planet

• exchanges between different peoples were historically very slow, dependent on rare voyages, migrations or invasions, but the rapid development of transportation, communications and information technologies has removed all physical barriers to human integration

→ an inevitable period of turmoil and competition as a new larger integrated system evolves
current development creates many environmental problems

- explosive population growth, accelerated consumption and technological innovations the scale of human impacts so that they are pushing planetary limits
  - climate change
  - stratospheric ozone depletion
  - biodiversity loss

- the increasing movement of goods around the world has produced:
  - problems of invasive species
  - the spread of toxic chemicals and hazardous wastes
  - growing quantities of wastes that are ever more expensive to dispose of safely
Global trade puts the same pressures on natural resources everywhere
  • unregulated trade has been very damaging to the natural capital of many countries
  • the possible solution is to manage such resources at the global level for the benefit of the whole planet (= mechanisms for global environmental governance, present ad hoc methods of global legislation, negotiating and adopting a new convention for each environmental problem, may lead to a global legal gridlock)

Conclusion:
The scientific recognition of the unity of the biosphere needs to be complemented by new spiritual foundations for a more integrated and unified world society, drawing on the shared core of values common to almost all religions and traditional societies
- An utopian idea?
Opportunities

- **access to new technologies**, as in the area of trade, the globalization of markets offers developing countries opportunity to integrate themselves more fully into the world economy.

- **growth of international trade and the strengthening of multilateral rules and dispute settlement mechanisms** within the framework of the World Trade Organization (WTO).

- **explosive pace of global financial development** has created opportunities for financing.

- **the spread of global values, the struggle for the right to be different and the establishment of international mechanisms to defend the exercise of citizenship** - respect for human rights, democracy, gender equality and ethnic diversity.
Main problems and risks

• **contrast between the rapid development of markets and the slow development of global governance** (problems caused by the asymmetry existing between the strength of market forces and the weakness of the institutional frameworks that regulate them)

• **the lack of effective international instruments for guaranteeing the achievement of the development goals** that have been reiterated so often, i.e. in the UN Millennium Declaration

• **the asymmetries faced by developing countries** in the global order in the areas of production, technology, finance and macroeconomics as a result of the contrast between the high international mobility of capital and the tight restrictions imposed on the mobility of labour

• the developing countries also face the challenge of adapting their policies to the institutional mechanisms required by WTO

• **the educational and knowledge requirements** imposed by global technologies and markets, which threaten to marginalize those who are not fully prepared

• global environmental processes affect all countries, but **small tropical countries, particularly island states, are especially vulnerable to global environmental changes**, as is demonstrated by the increasing frequency and intensity of natural disasters

• the **globalization of the communications media and their concentration in the hands of a few** pose new problems

• **tensions between homogeneity and cultural diversity**

• Etc.