

# Globalization and its effect on the caribbean



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Globalization refers to the emergence in the twentieth century, of a global community, whereby cultural, economic, environment and political events occurring in communities in one part of the world has quickly come to be significant to people in other societies.

The way in which technology has evolved has resulted in an advance in communication, transportation, scientific discoveries, and information technology. These advances, which are the basis of globalization, have infiltrated and affected every possible nuance of Caribbean life, so that it is almost impossible to imagine life without them. Like all entities that change the world in which we live, globalization has both negative and positive impacts; in the Caribbean its positive aspects include a basic knowledge-sharing and easier access to more resources. Disadvantages of globalization here in the Caribbean revolves mainly around the way in which it adversely affects our small island economies.

The Caribbean has benefited in many ways from globalization. First and foremost is the fact that due to twentieth century leaps in communication techniques, national banks and investment entities that aid in generating finance for their respective Caribbean states are now able to access income-generating programmes-such as the trading of money, stock and bonds-twenty-four hours a day, in almost every part of the world. These communication techniques have also greatly reduced communication costs and time to a bare minimum. Additionally, Caribbean people have found that they are also able to access greater, more varied range of services as a result of globalization. With the use of technologies like the internet, they can buy and sell almost anything from almost any place on earth with just a

click of a mouse button; sometimes for a fraction of its cost had it been purchased locally. Furthermore, with policies -such as that of free trade- food items, clothes, luxuries, educational equipment, and other products deemed necessary to maintain a particular standard of living have also become more easily to obtained.

In addition, because of the way in which technology has opened mediums of communications while cutting its costs, Caribbean people have found an easily accessible, cheaper means of communicating with each other. The result is that around the region, societies have become more united in some ways, having been exposed to each others culture and recognizing the commonalities. This is due mainly impart, not only to the internet, but to the television, radio and telephone media. Globalization has also provide Caribbean governments with a more efficient access to pharmaceuticals, health aid apparatus and educational equipment. This has resulted in a general improvement in the health statistics, as well as the educational statistics around the Caribbean, as its citizens are able to obtain better health care and more reliable, modern educational tools( such as computers) in their schools- at a cheaper rate.

The improvement of transportation technology around the globe, is another important component of globalization. In the Caribbean, traveling from one country to another around the region has become less time-consuming and inexpensive. This is an advantage because regional tourists who purchase food supplies, clothes and stock for personal use or for business from neighboring countries, are a means through which governments in these countries generate revenue. Additionally, there is also the fact that regional <https://assignbuster.com/globalization-and-its-effect-on-the-caribbean/>

governments also supplement their income with the money spent by regional tourists who travel around the Caribbean to attend cultural events like Trinidads Carnival, or Barbados Jazz Festival. It must be noted that the improvement in transportation due to globalization has also strengthened the regions international tourist industry, as visitors find it more efficient and easier to arrive her by plane and by ocean liner. This is a crucial factor for the many countries in the region, where tourism provides most of their revenue. Improved transportation methods have also made it easier for the Caribbean to transport goods abroad to regions where it would have been impossible before to transport them because of their distance or inaccessibility, this widening of the regional market means an increase in export profits for the regions nations. There is also the related drop in transportation costs and the reduction in the loss of profits due to spoilage of goods, for example, fresh fruits and vegetables traveling form the Caribbean to Europe, because transportation methods has become speedier and more efficient.

In addition, globalization also encourages emigration as the work possibilities opened to people around the globe encourages them to move to areas around or outside the region where employment is available. This is advantageous to the Caribbean in some ways because many of the emigrants send money home to their families improving their standard of living and generating valuable foreign income within their respective countries. Furthermore, when Caribbean businesses expand outside the region they provide important economical links between the Caribbean and

the country to which they have moved, and also act as a type of advertisement to people looking to invest in other Caribbean businesses.

If applied under the right conditions, globalization can be a positive force in the Caribbean, providing a framework for progress along political, social and economic spheres. However, there are several instances whereby globalization, or rather its components, are abused much to the disadvantage of smaller countries. In many circumstances, the disadvantages of globalization greatly outweigh and counteracts the advantages. The result is that these regions are adversely affected and economic, local and regional tensions are exacerbated and there is an increase in prospects and capabilities for conflict among nations of a region, as well as between regional nations and other countries. Globalization, then transforms from being advantageous to being a disruptive force in the Caribbean.

The Caribbean region and its respective economies are in a state that does not lend itself willingly to the entire globalization process. The downturn of global economy, the economic and social panic caused by the alarming rise in terrorist activity, the conflagration of countries such as those in Europe and the change in the global balance of power due to such unions, have all impacted on the economies of the Caribbean states. They have become even more fragmented, and when this is combined with their intense nationalism and strong sense of identity they are made more vulnerable to the negative aspects of globalization. Even as governments in the Caribbean find it easier to gain access to markets that generate income and thus, improve the fiscal situation of their countries, the policies of entities brought into creation due

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to globalization-e. g. multinational (MNCs) corporations and transnational corporations (TNCs)- create problems for our island economies.

Trade agreements made between larger countries has allowed for the removal of all obstacles and resistance to corporate invasion of developing countries. MNCs and TNCs (businesses that generate or invest in more than one country or function as a global marketplace) often extend their businesses to underdeveloped, or developing countries, where the cheap labor force allows them to accumulate high profits at the expense of the local workers and government. These corporations further exploit the countries in which they are based by sometimes employing persons outside the country to work in the higher paying jobs. Furthermore, most of the profits made by such companies are usually wired to banks outside the region and is not spent inside the country, doing nothing to improve its fiscal status.

MNCs and TNCs also tend adversely affect Caribbean trade because they are more financially able and technologically advanced to produce/provide goods and services at cheaper prices and at larger quantities to global markets. Caribbean nations thus find that the fiscal returns made by their exports are drastically reduced as their clients turn over their demands to the larger conglomerates. The major problem associated with MNCs and TNCs is the way in which they take-over regional companies Their take-overs usually go unnoticed until it is too late for governments to react, because these corporations are so large and diverse that it is impossible for Caribbean governments to know for certain if the persons in charge of the take-over belong to a larger business entity. The result is that the local businesses

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which are bought not only lose their identities as Caribbean businesses, but foreign investors, instead of local or ones, are the ones who benefit from the money made.

One major example of the way in which globalization has affected Caribbean economies is the fact that richer countries like the United States, because of their access to more advanced technologies (and because of their influence on global trade policies) have been able to market beet sugar to countries that once depended on cane sugar from the Caribbean. The United States therefore, has the ability to provide vast quantities of beet sugar to their consumers, at a fraction of the price of cane sugar, and because globalization has given them the means to do this through free market policies, Caribbean nations like Barbados, who depend heavily on the sugar export market, find that the income generated from it slumps drastically. Conclusively, the process of globalization has had a negative impact on Caribbean economies in some ways, because it is a process that requires governments to relinquish control of their economies and allow free access to markets that were once protected, so that they find themselves open to unfair competition with vastly larger neighboring countries.

Globalization has also altered Caribbean politics. With the merging of most of the major European nations, Caribbean nations have been made more aware of their impotence when it comes to holding their own against larger nations. Both the United States and the European Union are in a position whereby they can control world politics to best benefit themselves. The power held by the larger countries serve to undercut the sovereignty of the smaller nations of the Caribbean; an example is the way in which American Coast Guard

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ships and naval crafts have allocated themselves the right to enter Caribbean territorial waters at any time, with or without consent. There is also the fact that Japanese ocean liners carrying nuclear waste pass through the Caribbean Sea with their potential dangerous cargoes without permission. Protests made by Caribbean governments usually go unheeded because they are considered unimportant by the offenders. In fact, many Caribbean governments chose to look the other way and avoid confrontation, because they are aware of the way in which globalization has made their economies open to hostile retaliation.

Furthermore, because globalization has opened various modes of communication worldwide, Caribbean people have become more influenced by international political opinions. One example is the way in which many Caribbean nationals condemned the way in which certain Caribbean heads of government criticized the United States war on Iraq. This is a crucial point, because it shows the way in which globalization has caused a rift between Caribbean people and their governments and such a schism may impact on Caribbean unity.

Globalization has also evidently impacted on Caribbean culture. Societies worldwide, including the Caribbean, are exposed to the same music, news, sporting events, television shows and movies usually coming out of the United States, and to a smaller extent Europe. The younger citizens of the so-called third world countries are the larger consumers of this global culture and as they assimilate and imitate the cultures showcased through the technological mediums, their own cultures become lost within time. In this way, traditional music becomes marginalized by popular music coming out of <https://assignbuster.com/globalization-and-its-effect-on-the-caribbean/>



the Northern Americas, traditional mores are superceded by that portrayed in North American media, and traditional sports and similar cultural events are ignored for the sports considered popular in the United States. Because America has a culture of violence and vices, these negative aspects of their society are transported to the Caribbean and this has resulted in a rise in the crime, and in an overall rise in the Caribbeans mortality rate.

The Caribbean nations have also been adversely affected by globalization in terms of health and environment. The improvements in transportation that are a facet of globalization has also made it possible for the rapid spread of infectious diseases around the globe. This is one reason why the Caribbean has one of the worlds worst HIV/AIDS cases per population. Another example is rapid way in which a deadly form of pneumonia (SARS) spread from China throughout the globe. The way in which large international corporations at times rape smaller countries of what little resources they have is also a health, as well as environmental issue, because it leaves these countries poorer and open to diseases that spread due to the lack of proper health-care systems, and of the appropriate technology needed to produce clean water and a sufficient food supply to stave off such sicknesses.

These issues relate to the Caribbean, because they are nations in the Caribbean, such as Haiti, where these problems exist. In terms of the environment, the Caribbean , like the rest of the world, is at risk from global warming. Global warming is one of the negative by-products of globalization brought on by the increase in the burning of fuels and the creation of nuclear waste as industrialized countries facilitate the rapid production, interchanging and exchanging of goods and services worldwide. This affects <https://assignbuster.com/globalization-and-its-effect-on-the-caribbean/>

the Caribbean as global changing creates changing in weather patterns, causes increased costs in fuels as prices rise because quantities become limited and creates potential catastrophes from nuclear waste spillage in our seas.

Conclusively, because no part of the world is immune from the process of globalization, the challenge for the Caribbean nations is to understand where the world is heading and to find a place in it. The Caribbean governments must understand that constant innovation and flexibility is needed for survival in the unprintable, rapidly changing economic and social environment. The idea of a Caribbean Single Market Economy (C S M E) is one of the ways in which Caribbean heads-of-government are innovatively seeking to respond to the pressures of globalization. Caribbean people must come to understand themselves to be one people and to realize the importance of a united front in the face of globalization- a process that , will given time, result in the lost of our identity and freedoms.

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