

The world is flat of thomas friedman and making globalization work of joseph stig...

[Economics](#), [Globalization](#)



Globalization is process of integration. It is spread all through several fields, such as politics, culture, economy, technology and the environment.

Internationally, these fields are going through a period of conversion and evolution causing this world to turn out to be homogenous and flat. Even nations in the Third World are having the prospects only the developed countries once had to emerge into affluence. In fact, globalization is not new. Numerous events through which this course is evident have been going on for many years. However, between the late 20th century and early 21st century, the process of globalization has intensified. According to Jones (2010), a number of thinkers, including Friedman and Stiglitz, say that economy is the driving force behind globalization.

In his book, *The World Is Flat*, Thomas L. Friedman examines a number of factors that have caused globalization to intensify during the past 20 to 25 years. But first of all, the thing which is very important to understand is what globalization is. In the book, *Making Globalization Work*, Joseph E. Stiglitz explains globalization as the global flow of ideas and knowledge, the sharing of cultures, global civil society and international environment movement. He is of the view that globalization is the name of close economic integration between different nations through the increased flow of goods and services, capital and even workforce.

The works of both Friedman and Stiglitz is very important in understanding the subject of globalization. But in my opinion, Friedman has the most balanced and accurate assessment of the current and future situation.

Friedman is of the view that today's globalized economy is the result of the

collapse of Berlin Wall in 1989. It was an occasion that indicated the death knoll for many things, including the state controlled and well-designed economic model of the Soviet dominated socialist states. More significantly the world was no longer seen as being polarized between two contrasting ideologies. The two sides started to speak and more significantly started trade with each other, and what was earlier seen as undefeatable hurdle to global economic integration had at last been overcome.

The importance of the occasion cannot be downplayed but it was not the beginning of globalism as we know it today. In a way of speaking the injudicious flock had seen the error of their ways and was now ready to be brought back into the fold. Ritzer (2007) has discussed in his book, *The Blackwell companion to globalization*, that how Friedman explained the beginning of globalization with the fall of Berlin Wall in November, 1989. " He (Friedman) treats the event as a fundamental step that opened the way for the others and as an iconic representation of the overall shift." (Ritzer 70)

Stiglitz, who is considered a critic of the current form of globalization, is of the view that economic theory does not say that each one will win from globalization but, just that the net gains will be positive. The question is not whether or not there are gains from globalization but rather sharing of those gains. Do the gains drip down to the losers at whose expense they are made? It is this issue forms the root of the debate. Ritzer (2009) in his other book, *Globalization: a basic text*, discussed Stiglitz's argument about globalization and how it can be used for economic development, especially of poor nations. " Stiglitz argues that economic globalization can be a

positive force and can enrich everyone in the world, including the poor.”

(Ritzer 188)

In the first part of *The World is Flat*, Friedman talks about how the world became flat. He says that there are 10 forces that became causes of the flattening of the world. They are: the collapse of the Berlin Wall; Netscape; work flow software; uploading; outsourcing; offshoring; insourcing; informing; and the steroids. Mansbach and Rhodes (2008) discussed 10 forces of Friedman and say that his contentions are basically the latest in a series of overstated visions that also include the end of history and the convergence of tastes. Aware that these 10 forces could not have caused the world to turn into flat on their own, Friedman goes on to give details what he describes as the triple convergence. He clarifies that the triple convergence is the method in which the 10 forces converged to further flatten the global playing field. Friedman goes on to define the method in which states will become accustomed to the triple convergence in what he calls the great sorting out.

In the second part of *The World is Flat*, explored “ America and the flat world”. He uses David Ricardo’s free-trade theory of comparative advantage to make his argument that free trade is only in the interest of America. Ricardo’s theory specifies that is each nation concentrates on the production of goods in which it has a relative cost advantage and then trades with other nations for the goods in which they concentrate, there will be an overall gain in trade, and overall earning levels should rise in each trading economy. Friedman is of the view that Ricardo is still right. It is in second section of the

book that Friedman explains the right stuff to make it in a flat world; making argument that there are five skill sets or attitudes needed: the ability to learn how to learn; navigation skills; $CQ + PQ > IQ$; Plays well with others; and the right brain stuff (Friedman 321).

Friedman talks about developing states and the flat world in the next section of his book. He said that developing countries must develop policies of introspection, commitment to more open and competitive markets, and the development of education, infrastructure, and governance, along with establishing business-friendly environments. Duncan, Jancar-Webster and Switky (2008) has discussed Friedman's concept of globalization. For example, how globalization can lead to a democratic world, play its role for reducing poverty and establish higher standards of living developing countries.

Friedman uses Ireland to show a nation that developed these policies and flourishes in the flat world. He goes on to say that open cultures are more chances of success in the flat world than closed cultures. For describing why some countries succeed and some not, he explains what he calls the intangible things: a willing society and leaders with vision.

The following section of *The World is Flat* talks about corporations and the flat world. Friedman develops seven rules that he learned from his examination and research of certain companies. The first rule is "When the world goes flat - and you are feeling flattened - reach for a shovel and dig inside yourself. Don't try to build walls." (Friedman 340) The second rule

is “ And the small shall act big...” followed by the third rule, “ And the big shall act small...” (Friedman 340) The fourth rule he learned was that “ The best companies are the best collaborators” (Friedman 340). Friedman is of the view that in a flat world the best corporations stay strong by getting regular chest X-rays. The sixth rule he explains is that “ the best companies outsource to win, not to shrink” (Friedman 461). Friedman’s final rule is that “ Outsourcing isn’t just for Benedict Arnolds. It’s also for idealists”. (Friedman 461) Friedman then describes some of the grounds why the flattening of the world could go incorrect.

He makes argument that there are certain groups of people that the world may not flatten, including: those who are too sick, too disempowered, and the too frustrated. In the final section of the book, Friedman argues that there are opposing modes of imagination at work in society. For making this argument, he compares 11/9 to 9/11. It is in this part of the book that Friedman implies that just because the technology exists, does not mean that it can defend us. People and societies must use their thoughts properly. Ritzer (2007) says that Friedman has an extremely positive vision of globalization. He says Friedman sees globalization as involving the democratization of technology, finance, and information.

Stiglitz identifies that every state has a unique history, culture, and societal makeup. These features will establish different constraints onto the country, but whose role should reflect the abilities for the government. This is basically the same argument as of old: the shape that government should be allowed to keep is one in which it can act as a caring guide to the market.

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Ervin and Smith (2008) say that Stiglitz gives a good demonstration of the liberal institutionists argument. They say Stiglitz has written that economic globalization holds a serious malfunction. They discussed how Stiglitz has explained that wealth is moving from poor to rich and from rich to poor. They have explained the idea of Stiglitz in which he says that only few states are the beneficiaries of globalization.

Stiglitz has just used the tools of the other social sciences to recognize the best way that non-market forces can be brought to work for the market. One might distinguish this as being good or bad, but we must keep in mind that, just as early development economics was permeated with a particular philosophy and driven towards particular goals, it is possible that it remains so today. Whether or not the fundamental ideology or goals have changed today is less significant than the fact that its entrenchment within the leading Western political, educational, and social institutions is accurately what has allowed it to shape the way in which we think about growth. If it is permissible to encroach upon the sphere of the other social sciences without proper critical opinion, it might further reduce our capability to look at different development philosophies or practices independently.

Rizvi and Lingard (2010) have discussed Stiglitz's optimism about globalization where he thinks that it has the potential to bring huge benefits to both the rich and poor states. " The problem is not with globalization itself but in the way in which globalization has been managed" (Stiglitz 4).

Stiglitz's hypothetical argument rests on the principle that markets are never complete or ideal, and that if this is so, the hidden hand of the so-called free

markets cannot be expected to work flawlessly either particularly in the developing countries, where the information required making important economic decisions is often both lacking and mediated by corrupt leaders.

Notwithstanding all the condemnation that globalization attracts there are no calls to return to protectionist isolation. " Globalization does still holds the potential to increase living standards and advantages put forward by proponents such as Jeffrey D. Sachs are not unrealistic." (Stiglitz 121). Even Stiglitz, who is considered a self admitted fierce critic of globalization, denies that he is element of the anti-globalization movement. He considers that correctly managed globalization has huge potential. The today's world is getting increasingly interdependent, growing the need to act together but never has the confidence in institutions such as the IMF, WTO and the World Bank been lower.

According to Stiglitz, the common idea of the criticisms of such global institutions seem to be that they are dominated by and act in the interest of the richer states such as the United States, a country that has shown little interest in supranational institutions or multilateral initiatives. The IMF, for instance, is tremendously dominated by the United States in terms of voting rights. They country hold 16. 77 percent the second highest is held by Japan at 6. 02 percent, by comparison China hold 3. 66 percent almost the same as Italy. The clear majority hold less than 1 percent many of the less developed countries hold less than 0. 01 percent.

Stiglitz is of the view that globalization is not some predictable scenario, there have been setback and more are likely. The need is obvious for a managed approach; one that does not bound itself to safe guarding investor concern. Friedman mainly uses a mixture of an empirical and logical technique. The American Heritage Dictionary explains empirical as being derived from and demonstrable by observation and logical as being based on previous or otherwise known statements, events, or conditions. Scholarly dissertations, main documents, conversations, and interviews are the major sources that Friedman uses to develop his theory.

In the section of the book, where Friedman dealt with companies and the free world, he supports his argument with concrete observations he made while researching companies for the book; he gives a number of examples to support and develop his argument. Along with Stanley Fischer, the former deputy-managing director of the IMF, Friedman identifies that one good example is worth a thousand assumptions (Friedman 629). For the most part, uses a multitude of good examples to support his theory. There are places in the book where Friedman seemed failed to develop his theory clearly and leaves room for disagreement.

Friedman discussed in the book his conversation with Yale graduate student Eric Stern to introduce the concept of gender difference in science-related jobs; the problem is that he provides no clarification of the idea. Friedman theory would have been more clearly developed by adding knowledgeable evidence and concrete examples to clarify the concept. He gave a great deal of time explaining the importance of careers in science, while he merely

touches on the significance of careers outside of the field of science. He just says that one should do what you love in order to survive in a flat world. Compared with his in depth instructions for scientists, Friedman's lack of apprehension with the purpose of non-scientists in society leaves room for debate.

Largely, Friedman's theory that the world is flat due to the leveling of the global playing field is evidently developed. The construction that he employs aids in simplifying his compound argument and defining what it is he is trying to say. A vague development in Friedman's argument that the world is flat could arise from his description of Globalization 3.0. He explains Globalization 3.0 as "shrinking the world from a size small to a size tiny" (Friedman 10). For dismissing the disagreement that a tiny world does not automatically imply a flat world, Friedman goes on to say that Globalization 3.0 is flattening the playing field at the same time.

Throughout the book, Friedman maintains his argument with both data and facts. He uses the data he collected from interaction with people during his travel around the world. He also uses a number of scholarly works in support of his theory, including: Karl Marx and Friedrich Engels', the Communist Manifesto; David Lande's, The Wealth and Poverty of Nations; and David Ricardo's free-trade theory of comparative advantage. Friedman also uses facts and main documents to support his theory that the global competitive playing field has been leveled, such as the 9/11 Commission Report.

On the basis of Friedman's argument that the world is flat, there are certain things that public leaders need to recognize about the changes globalization has brought about. In case of developing countries, leaders need to incorporate policies of introspection, dedication to more open and competitive markets, and the development of education, infrastructure, and governance, along with developing business-friendly environments. Friedman is of the view that politicians should have a vision for the development of their counties. His book goes on to say that the corporations that have managed to survive and grow are those that can understand the importance of change and prepared for it. According to Friedman, globalization has brought about huge change in society; successful leaders must be capable to familiarize themselves to these changes and come up with ways in which to use the opportunities of globalization.

A successful leader must also be able to develop coping mechanisms for the new requirements associated with globalization. All of this goes along with the idea of the course. Well-organized leaders are experimental, thinker, and flexible, all of which are essential to survive the increasing pace of globalization. In a manner, Friedman argues that American's should be leaders in the flat world; he thinks that they must set an example and become the best global citizens possible. Friedman uses an arrangement of rational and experiential methods to aid in evidently developing his theory that the world is flat. According to Friedman, globalization has brought about a number of changes that leaders must understand and familiarize themselves to in order to survive in a flat world.

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