

The definitions and theories on globalisation politics essay



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Without an iota of doubt it can be said that one of the metanarratives of our time is globalisation. Indeed, the phrases like " the world has become 'a global village' have become clichés. To quote Fred Halliday " Globalization has become, over the past few years, the catchword of international economic and political analysis." [Halliday, 2000, pp. 238] David Held and Anthony McGrew have expressed this in a slightly different way - " Indeed, globalization is in danger of becoming, if it has not already become, the cliché of our times: the big idea which encompasses everything from global financial markets to the Internet but which delivers little substantive insight into the contemporary human condition [Held, McGrew, et al. 1999, pp. 1] They then superinduce " globalization reflects a widespread perception that the world is rapidly being moulded into a shared social space by economic and technological forces and that developments in one region of the world can have profound consequences for the life chances of individuals or communities on the other side of the globe." [Ibid]

Here in this paper, first we will deal with the definitional and conceptual aspects of globalization. Then we will focus on the prospects and challenges of globalization. Finally, we will try to arrive at a cogent conclusion.

DEFINITION AND CONCEPTUALIZATION:

Globalization has been defined by different writers in different ways. Indeed, it has got different meanings to different people. According to Anthony McGrew, in simplest terms, globalization refers to " widening, deepening and speeding up of worldwide interconnectedness" [McGrew in Smith and Baylis (ed), pp. 20].

Martin Griffiths and Terry O' Callaghan have defined it as " the acceleration and intensification of mechanisms, processes and activities that are allegedly promoting global interdependence and perhaps ultimately global political and economic integration. It is, therefore, a revolutionary concept, involving the deterritorialisation of social, political, economic, and cultural life." [Griffiths and O'Callaghan, 2004, pp. 126-127].

According to Steve Smith and John Baylis, globalization is " the process of increasing interconnectedness between societies such that events in one part of the world have more and more effects on peoples and societies far away." They have also conceptualized the global world as - " one in which political, economic, cultural and social events become more and more impactful." [Smith and Baylis ed, 2005, pp. 8]

It is to be viewed " not as a mere series of 'reforms' giving free rein to transnational companies but as a radical programme to reshape the entire, economic, political, legal and ideological landscape of capitalism" [Zuege, Leys et al (ed), 2006, pp. 1].

Amiya Kumar Bagchi has provided a different interpretation of globalization in his paper " Woman's Employment and well-being in a Globalising world" as " a deliberate concatenation and control of processes of production, exchange, information and services by the rich in rich nations of the world in collusion with the rich of most countries so as to increase their own power and wealth at the cost of the poor and disadvantaged everywhere." [Bagchi in Kar (ed), 2005, pp. 276]

We may cite a few more definitions of globalization -
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In words of Giddens, globalization refers to the "intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa." [Quoted in Smith and Baylis (ed), 2005, pp. 24]

Gilpin calls it "The integration of the world-economy". [Ibid].

Scholte conceptualizes it in terms of "De-territorialisation or ... the growth of supraterritorial relations between people." [Ibid]

David Harvey defines globalization in terms of 'time - space compression.'
[Ibid]

Anthony McGrew defines globalisation as "a historical process involving a fundamental shift or transformation in the spatial scale of human social organization that links distant communities and expands the reach of power relations across regions and continents." [McGrew in Smith and Baylis (ed), 2005, pp. 24]

In his presidential address to the 78th Annual Conference of the Indian Economic Association (28-30 Dec, 1995), Deepak Nayyar defined globalization as "the expansion of economic activities across political boundaries of the nation states. More important, perhaps, it refers to a process of increasing economic integration and growing economic interdependence between countries in the world economy. It is associated not only with an increasing cross-border movement of goods, services, capital, technology, information and people also with an organization of economic activities which straddles national boundaries." [Nayyar, 1996, pp. 1]

Held and McGrew have written, " A satisfactory definition of globalization must capture each of these elements : extensity (stretching), intensity, velocity and impact. And a satisfactory account of globalization must examine them thoroughly....

By acknowledging these dimensions a mere precise definition of globalization can be offered. Accordingly, globalization can be thought of as: a process (or set of process) which embodies a transformation in the spatial organization of social relations and transactions - assessed in terms of their extensity, intensity, velocity and impact - generating transcontinental or interregional flows and networks of activity, interaction, and the exercise of power." [Held and McGrew (ed), 1999, pp. 15-16].

According to C. Sheela Reddy, " Globalisation is a complex, multidimensional, social, economic, cultural, technological and political process in which the mobility of capital, ideas, technology, organizations and people has acquired a growing global and transnational form. Advances in new technology (in particular information and communications technology), cheaper and quicker transport, trade, liberalization, increase in financial flows and growth in the size and power of corporations are its distinctive features. It is a blessing to people benefitting from the new opportunities. At the same time others are being left behind in poverty, effectively marginalized from the hopes that globalization holds out." [Reddy, 2008, pp. 84]

Thus, from the above definitions, we may reiterate some important aspects of globalization like increasing interaction of social, economic, and political activity, relative deterritorialisation and de-nationalisation of the state, <https://assignbuster.com/the-definitions-and-theories-on-globalisation-politics-essay/>

increasing movements of goods and services, deregulation of national economy and so on.

Anthony McGrew observes that globalization is characterized by -

'a stretching of social, political and economic activities across political frontiers.'

'the intensification, or the growing magnitude of interconnectedness in almost every sphere of social existence.'

'the accelerating pace of global interactions and processes as the evolution of world wide systems of transport and communication.'

'the growing extensity, intensity and velocity of global interactions.'" [McGrew in Steve and Baylis (ed), 2005, pp. 22]

PERIODISATION OF GLOBALISATION:

The periodisation of the process of globalization has been a matter of intense debate. Some regard it as a new phenomenon, while others regard it as the new phase of an old phenomenon and thus 'old wine in a new bottle.'

Chandan Sengupta has written -

" One opinion is that the concept of globalization dates back to the voyage of discovery in the 15th century. According to Immanuel Wallerstein, the capitalist economic foundation of globalization was laid as early as in the 16th century. Ronald Roberstson traced the historical - temporal path of globalization to the present complex structure of global system through five

phases: (i) the germinal (1400-1750) phase of dissolution of christendom and emergence of nationalism in Europe, (ii) the incipient (1750-1875) phase of nation state and the initial phase of internationalism and universalism in Europe, (iii) the take off (1875-1925) phase of conceptualization of the world as a single international society, global calendar, first world war, mass international migration and inclusion of non-Europeans in the international club of nation states; (iv) the struggle for hegemony (1925-1969) phase of cold war, the emergence of league of Nations and the UN, and the emergence of third world, and (v) the uncertainty (1969-1992) phase of space exploration, recognition of global environmental problem and global mass media, via space technology []

The roots of newly emerging forces of globalization have been traced in specific economic and political developments in the late 1980's or early 1990s. [Sengupta, 2001, pp. 3137]

TWO PERSPECTIVES OF THE CONCEPTUAL CONSTRUCTIONS OF GLOBALISATION:

According to Chandan Sengupta, there are two broad contexts in which globalization has been defined. These two contexts are not very far from one another. 'One is the economic context, the other that of non-economic which broadly includes socio-cultural, historical and political dimensions of globalization. Such a division of however, the author admits, in reality appear to be false because 'it is difficult to observe cultural dimensions of globalization totally independent of its material aspects". Scholars like Immanuel Wallerstein have resorted to the first perspective. While, Giddens,

Robertson and Waters et. al, have tried to look globalization through the prism of socio-cultural perspective. [Ibid, pp. 3138].

THE GLOBALISATION DEBATE AND THE THREE SCHOOLS OF THOUGHT:

Anthony, McGrew, David Held et. al have pointed out three broad schools of thought in relation to the globalization debate - namely the hyperglobalizers, the sceptics, and the transformationalists. 'In essence each of these schools may be said to represent a distinctive account.' We will highlight briefly what these theses are:

'For the hyperglobalisers, such as Ohmae, contemporary globalization defines a new era in which peoples everywhere are increasingly subject to the disciplines of the global marketplace. By contrast the sceptics, such as Hirst and Thompson, argue that globalization is essentially a myth which conceals the reality of an international economy increasingly segmented into three major regional blocs in which national governments remain very powerful. Finally, for the transformationalists, chief among them being Rosenau and Giddens, contemporary patterns of globalization are conceived as historically unprecedented such that states and societies across the globe are experiencing a process of profound change as they try to adapt to a more interconnected but highly uncertain world.

Interestingly more of these three schools map directly on to traditional ideology positions or worldviews." [Held and McGrew, et. al, 1999, pp. 2]

Held and others have also summarized the three dominant tendencies of globalization debate in a tabular form as follows. -

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Conceptualizing globalization: three tendency

Hyperglobalists

Sceptics

Transformationalists

What's new?

A global age

Trading blocs, weaker geogovernance than in earlier periods

Historically unprecedented levels of global interconnectedness

Dominant features

Global capitalism, global governance, global civil society

World less interdependent than in 1890s

'Thick'(intensive and extensive) globalization

Power of national governments

Declining or eroding

Reinforced or enhanced

Reconstituted restructured

Driving forces of globalization

Capitalism and technology

States and markets

Combined forces of modernity

Pattern of stratification

Erosion of old hierarchies

Increased marginalization of south

New architecture of world orders

Dominant motif

McDonalds, Madonna etc.

National interest

Transformation of political community

Conceptualization of globalization

As a reordering of the framework of human action

As internationalization in regionalisation

As reordering of interregional relations and actions at a distance

Historical trajectory

Global civilization

Regional blocs / clash of civilizations

Indeterminate global integration and fragmentation

Summery argument

The end of the nation-state

Internationalisation depends on state acquiescence and support

Globalization transformation state power and world politics

[Ibid, pp. 10]

It is noteworthy that when it comes to the sources of contention in the globalization debate, Held and others have mentioned five principal sources namely -

conceptualization

causation

periodisation

impacts

and the trajectories of globalization. [Held and McGrew et al., 1999, p10]

It is not the purpose of this paper to explore them all at length. So, we will limit our discussion to the prospects and challenges of globalization only.

PROSPECTS OF GLOBALISATION:

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Globalisation is a double edged phenomenon. It has got prospects as well as challenges.

As regards the prospects or post dimensions of globalization, Smith and Baylis have written:

The pace of economic transformation is so great that it has created a new world politics. States are no longer closed units and they cannot control their economies. The world - economy is more interdependent than ever, with trade and finances ever expanding.

Communications have fundamentally revolutionized the way we deal with the rest of the world. We now live in a world where events in one location can be immediately observed in the other side of the world. Other side of the world. Electronic communications alter our notions of the social groups we work and live in.

There is now, more than ever before, a global culture, so that most urban areas resemble one another. The world shares a common culture, much of it emanating from Hollywood.

The world is becoming more homogeneous. Differences between peoples are diminishing.

Time and space seem to be collapsing. Our old ideas of geographical space and of chronological time are undermined by the speed of modern communications and media.

There is emerging a global polity, with transnational social and political movements and the beginnings of a transfer of allegiance from the state to sub-state, transnational, and international bodies.

A cosmopolitan culture is developing. People are beginning to 'think globally and act locally'.

A risk culture is emerging with people realizing both that the main risks that face them are global (pollution and AIDS) and that states are unable to deal with the problems." [Smith and Baylis, 2005, pp. 10-11]

C. Sheela Reddy wrote about the positive dimensions of globalizations as follows -

Increasing economic opportunities for countries to find markets in which their labour forces can compete effectively.

Opportunities for countries with institutional and technical infrastructure to attract investments.

Increasing consumer choice and falling prices for individuals around the world.

Increasing protection of vulnerable groups, as communications technology facilitates global awareness and actions by international solidarity and human rights movements.

Better protection of the right to seek, receive and impart information through new communication tools including cellular phones, satellite television and the internet.

The right of freedom of association or freedom of assembly for which physical presence is no longer required due to new communication tools.

Facilitating exchange of information on social policies and services, access to educational information and multicultural link with people of other cultures."

[Reddy, 2008, pp. 86]

Certain writers argue that " now national boundaries do not stand in way of process of an individual or a community thanks to globalization. Men (and women) have gained access to the treasure of knowledge and culture which is the product of genius all over the world. Now local communities have the opportunity to benefit from technology information, services, and markets available anywhere in the world. Finally, globalization has created an awareness regarding the global environment all over the world, and different nations have come to recognize global problems as a matter of their individual and collective responsibility [Gaubu, 2005, pp. 173]

Another section of writers who strike a balance between the merits and demerits of globalization have noted that 'globalisation has raised per capita income in the world to three times since 1945; it has created awareness regarding environment, and congenial conditions for disarmament. It has brought the condition of subordinate groups to limelight and inspired them to form their global organizations for their emancipation. It has also liberated

them from the ideological domination of their local communities and enabled them to fight for their legitimate rights." [Ibid]

As regard the impact of globalization on women, Lene Sjørup has written: -

women are () involved in globalization at a number of interlocking, diverse and sometimes even contradictory levels. They may very well be the victims of one aspect of globalization, while they remain central actors in other aspects. Why, I ask myself, paint a picture of an overwhelming enemy confronting women, when a more detailed socio-religio-political analysis shows that women participate in complicated ways in global developments? Women surely are confronted with a number of obstacles at many levels. But, why use a mega-term like 'globalisation' for describing 'the' arch-enemy, instead of analyzing the many forms of oppression women face within the process of globalization, and including those from which we also benefit." [Sjørup, 1997, pp. 97]

Thus, it would be wrong to treat globalization as a total anathema.

As regards the future of globalization, Stanley Fischer (the first Deputy Managing Director of IMF) commented to Closing Panel Discussion of IMF on Aug 26, 2000:

" What about the future (of globalization)? Two cheering observations to begin with:

First, most developing countries continue to liberalize trade despite their complaints about the global trading system. We calculate an index of trade barriers for individual IMF member countries. Almost uniformly, it shows that <https://assignbuster.com/the-definitions-and-theories-on-globalisation-politics-essay/>

barriers to trade have been declining in the developing countries. They understand that unilateral trade liberalization is in their own interest, they are arguing for the advanced countries to open up - not for themselves to close down - and that is good news.

Second, despite the recent crisis, capital accounts in almost all emerging market countries have remained open. And the two largest economies with relatively closed capital accounts. They understand that is the best way to go. They understand that is the best way to go. They are doing it cautiously and gradually and they are right to do it that way. But the direction in which they are moving is clear. Policy-makers in almost all developing countries have no intention of reversing the process of capital account opening, despite their complaints over much of what is going on in the world, and despite their concerns over the recent crises. [http: // www. imf. org/external / np/ speeches/2000/082600. htm. visited on 21/03/10 at 8. 30 p. m]

He has also mentioned two forecasts." The first is conditional : if we, and this means policy - makers of the advanced countries and the international institutions, manage the processes well and bring the developing countries into the process of globalization, it will continue, to the potential benefit of all and to the likely benefit of almost all. And, second, there will be surprises along the way." [Ibid]

CHALLENGES OF GLOBALISATION:

The rewards of globalization has not been uniform and equitable. It has benefitted only a certain category of states and people. M. A. Ommen has <https://assignbuster.com/the-definitions-and-theories-on-globalisation-politics-essay/>

even called it a contrived phenomenon. He cites three reasons why globalization is not the culmination of a natural process: -

" Firstly, the world today is virtually governed by the G-7 countries (the USA, the UK, Japan, Canada, France, Germany, and Italy). The IMF, World Bank and the World Trade Organization (WTO), the avatar of GATT, are neatly co-opted into the process of the economic management of the world.

Second, science and technology are not a free pursuit. They are in captivity, so to say. The military powers (this includes the former Soviet Union) and transnational corporations (TNC'S) have manipulated science technology for power and profit. This trend continues. The end of cold war has not materially altered the situation.

Third, the United States of America as Prof. Vernon points out, has been trying to create an international system in its own image has pioneered the so-called development ideology to counter communism. [Ommen, 1995, pp. 75]

GLOBALISATION : THE NEW AVATAR OF IMPERIALISM

Some scholars are viewing globalization as 'the new face of imperialism. They are of the view that imperialist globalization is gradually spreading its wings to cast an abysmally dark shadow world over. Thinkers like Ranen sen are very much critical of this contretemps. He writes " Globalisation is paving the way for the US imperialism which is out to exploit the unipolar geopolitics. Militarization and more aggressive programmes are designed within framework of hegemenistic objectives of the CIS authorities

..... Washington has a long-term plan to destabilize the south and central Asian countries which have untapped hydrocarbon resource. Afghanistan has a massive resource of natural gas and Iraq has a developed oil industry. The US scheme of subversion in Afghanistan, Iraq and adjacent countries is nothing new. After becoming the hegemonistic ruler of world capitalist order, following the collapse of the USSR, Washington pressed Pentagon more vigorously into service to dominate the oil and natural gas sectors in those countries." [Sen in Kar (ed) 2005, pp. 93-94]

It is often claimed that globalization has led to the increasing interdependence. Now, the basic questions concern. - Interdependence among and who are the beneficiaries? Samit Kar writes in the preface of "GLOBALISATION : ONE WORLD MANY VOICES" [pp. 12] " Is this interdependence of world society real or tilted in favour of the richer nations?"

Neo-Marxists are also apprehensive of the lopsided development brought by globalization " Robert Cox and other neo-Marxists stress the uneven hierarchical nature of economic globalization. The global economic power is increasingly concentrated in the leading industrialised countries, including the United States, Japan, and the States of Western Europe. That means the economic globalization will not benefit the impoverished masses of the Third World. Nor will it improve the living standards of the poor in the highly industrialised countries." [Jackson and Sorensen, 2003, pp. 217] Mahuya Chakrabarty writes in the same vein in the article " Free Market

Globalisation: Oil conflict and US aggression"- " This so-called free market

globalization does not actually mean the spread of productive capital in the <https://assignbuster.com/the-definitions-and-theories-on-globalisation-politics-essay/>

world but the accelerated accumulation and concentration of capital in the few imperialist countries, chiefly the US. Liberalization, privatization and deregulation..... the key factors attached with free market globalization have accelerated the outflow of social wealth created by the people from the neo-colonies to the neo-imperialist countries. Here, the principal actor is the MNC's the multinational agencies like the IMF, World Bank and WTO." [Chakrabarty in Kar (ed), 2005, pp. 108]

Ranen Sen has written " Globalisation is a bid to restructure the power and politics of developed capitalist countries under the US hegemony. It is in a way to recolonization through the trinity of World Bank, IMF and WTO. "[Sen in Kar (ed), 2005, pp. 94] In the same tune Petras and Polychroniou, have pointed out the real nature and motives of these financial institutions - " These institutions were controlled by appointees of the respective imperial states and their function was to displace national markets and local producers and undermine popular social legislation in order to facilitate the entry of multinationals and the primacy of domestic export elites producing for the markets of the imperial counties." [Petras and Polychroniou, 1997, pp. 2251]

GLOBALISATION AND UNEVEN DEVELOPMENT:

The process of globalization is highly uneven. Deepak Nayyar observes " There are less than a dozen developing countries which are an integral part of globalization in the late twentieth century. Argentina, Brazil and Mexico in Latin America and Korea, Hong Kong, Taiwan, Singapore, China, Indonesia, Malaysia and Thailand in Asia. These eleven countries accounted for about

30 percent of total exports from developing countries during the period 1970-1980. This share rose to 59 per cent in 1990 and 66 per cent in 1992. The same countries, excluding Korea, were also the main recipients of direct investment in the developing world accounting for 66 per cent of the average annual inflows during the period 1981-1991..... this evidence suggests that globalization is most uneven in its spread and there is an exclusion in the process. Sub-Saharan Africa, West Asia, Central Asia and South Asia are simply not in the picture, apart from many countries in Latin America, Asia and the Pacific which are left out altogether." [Nayyar, 1996, pp. 15]

Nayyar also notes that " the benefits of integration with the world economy, through globalization, would accrue only to those countries which have laid the requisite foundations for industrialization and development. This means investing in the development of human resources and the creation of a physical infrastructure. This means the acquisition of technological and managerial capabilities at a micro-level. This means the creation of institutions that would regulate, govern and facilitate the functioning of markets. In each of these pursuits, strategic forms of state intervention are essential. The countries which have not created these pre-conditions could end up globalizing prices without globalizing incomes. In the process, a narrow segment of their population may be integrated with the world economy, in terms of consumption patterns or living styles, but a large proportion of their population may be marginalized even further." [Ibid, pp. 16]

According to C. Sheela Reddy, " the benefits of economic globalization have not accrued to the majority due to certain adverse consequences like:

The increase of inequalities among regions and nations, within nations and among individuals

The continued growth of poverty.

The increase of people's vulnerability due to social risks such as unemployment and crime.

The decrease in opportunities for regions, nations, communities and individuals to enjoy the benefits and advantages provided by globalization.

..... Thus the benefits of globalization are not uniformly enjoyed at present as many people still live in poverty and the result of alleviation efforts are uneven within and between the regions of the world." [Reddy, 2008, pp. 87-88]

Hirst and Thompson have made a very harsh criticism of globalization.

According to them, the most extreme versions of globalizations are a myth.

In support of this claim, they have offered five arguments. " First, the present internationalized economy is not unique in history. In some respects they say it is less open than the international economy between 1870 and 1914.

Second, they find that 'genuinely' transnational companies are relatively rare, most are national companies trading internationally. There is no trend towards the development of international companies. Third, there is no shift of finance and capital from the developed to the underdeveloped worlds.

Direct investment is highly concentrated amongst the countries of the
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developed world. Fourth, the world-economy is not global, rather trade, investment, and financial flows are concentrated in and between three blocs - Europe, North America, and Japan. Finally, they argue this group of three blocs could, if they co-ordinated policies, regulate global economic markets and forces [quoted in Smith &, Baylis, 2005, p. 11]

We will highlight here some other challenges of globalization -

First it must be borne in mind that competitive markets may be the best guarantee of efficiency, but not of equity. And markets are neither the first not the last word in human development. There was a time when many activities and goods that are crucial to human development were provided outside the market but these are now being squeezed by the pressure of global competition. The policy of structural adjustment which was forced on most of the third world countries has reduced the amount of government expenses in health, employment as well as in education sector, subsequently making the people of the third world the victim of globalization.

Second, unequal distribution:

When the market goes too far in dominating social and political outcome, the opportunities and reward of globalization spread unequally and inequitably concentrating power and values in a select group of people, nations and corporations, marginalizing the others. When the market goes out of hand, the instability grows up, as in the financial crisis in East Asia and its worldwide implications cutting global output by estimated 2 trillion dollar in 1998-2000.

Since 1980's many countries have captured the opportunities of economic and technological globalization. Other than the industrial countries, the countries like India, Poland, Turkey, Chile are attracting foreign investment and taking advantage of technological progress. At the other extreme there any many countries, not all benefited from expanding markets and advancing technology - Madagascar, sub-Saharan countries among others.

Third, Inequality within and between countries:

Jayati Gosh has written in her article " Imperialist Globalisation and the political economy of South Asia" " The recent process of imperialist globalization has been marked by greatly increased disparities, both within countries and between countries." [Ghosh in Kar (ed.), 2005, pp. 260.]

Inequality has been rising in many countries since the early 1980's In China, disparities are widening between the export oriented region of the coast and the interior. The human poverty index is just under 20% in coastal provinces, but more than 50% inland Guijhou.

Inequality between the countries has also been increasing. Noteworthy that the income gap between the richest and the poorest fifth in the world was just 3: 1 in 1820. Today, the gap in one word is gargantuan. Let us look at the following statistics included in UNDP 1999 Report:

Year Income Gap Ratio

1820 3: 1

1870 7: 1

1913 11: 1

1960 30: 1

1990 60: 1

1997 74: 1

Again at the turn of the 21 century, the richest 20% of the world's population had:

----- > 86% of world GDP..... The bottom fifth had 1%

----- > 82% of world export markets the bottom fifth