

Manfred B. Steger

GLOBALIZATION

A Very Short Introduction

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Preface

It is a daunting task to write a short, accessible introduction to such a complex topic as 'globalization'. This challenge becomes even more formidable in the case of a *very short* introduction. Hence, it is not surprising that the authors of the few existing short introductions to the subject have opted to discuss only one aspect of globalization – usually the emerging global economic system, its history, structure, and supposed benefits and failings. While helpful in explaining the intricacies of international trade policy, global financial markets, worldwide flows of goods, services, and labour, transnational corporations, offshore financial centres, foreign direct investment, and the new international economic institutions, such narrow accounts often leave the general reader with a shallow understanding of globalization as primarily an economic phenomenon.

To be sure, the discussion of economic matters must be a significant part of any comprehensive account of globalization, but the latter should not be conflated with the former. The present volume makes the case that globalization is best thought of as a multidimensional set of social processes that resists being confined to any single thematic framework. Indeed, the transformative powers of globalization reach deeply into the economic, political, cultural, technological, and ecological dimensions of contemporary social life.

In addition, globalization contains important *discursive* aspects in the

form of ideologically charged narratives that put before the public a particular agenda of topics for discussion, questions to ask, and claims to make. The existence of these narratives shows that globalization is not merely an objective process, but also a plethora of stories that define, describe, and analyse that very process. The social forces behind these competing accounts of globalization seek to endow this relatively new buzzword with norms, values, and meanings that not only legitimate and advance specific power interests, but also shape the personal and collective identities of billions of people. In order to shed light on these rhetorical manoeuvres, any introduction to globalization ought to examine its ideological dimension. After all, it is mostly the question of whether globalization ought to be considered a 'good' or a 'bad' thing that has spawned heated debates in classrooms, boardrooms, and on the streets.

This book has been written with a keen awareness that the study of globalization falls outside currently established academic fields. Yet, the lack of a firm disciplinary home also contains great opportunity. 'Globalization studies' is emerging as a new field that cuts across traditional disciplinary boundaries. This strong emphasis on interdisciplinarity requires students of globalization to familiarize themselves with literatures on subjects that have often been studied in isolation from each other. The greatest challenge facing today's globalization researcher lies, therefore, in connecting and synthesizing the various strands of knowledge in a way that does justice to the increasingly fluid and interdependent nature of our postmodern world. In short, globalization studies calls for an interdisciplinary approach broad enough to behold the 'big picture'. Such a comprehensive intellectual enterprise may well lead to the rehabilitation of the academic generalist whose status, for too long, has been overshadowed by the specialist.

Finally, let me add a word of clarification. While the main purpose of this book lies in providing its audience with a descriptive and explanatory account of the various dimensions of globalization, the careful reader will detect throughout the chapters a critical undertone.

However, my sceptical perspective on the nature and the effects of contemporary forms of globalization should not be interpreted as a blanket rejection of the phenomenon itself. I believe that we should take comfort in the fact that the world is becoming a more interdependent place that enhances people's chances to recognize and acknowledge their common humanity. I welcome the progressive transformation of social structures that goes by the name of globalization, provided that the global flow of ideas and commodities, and the rapid development of technology, go hand in hand with greater forms of freedom and equality for all people, as well as with more effective protection of our global environment. The brunt of my critique is directed at particular manifestations and tendencies of globalization that strike me as being at odds with the noble cosmopolitan vision of a more egalitarian and less violent global order.

It is a pleasant duty to record my debts of gratitude. First, I want to thank my colleagues and friends at the Globalization Research Center at the University of Hawai'i-Manoa for their consistent support of my research agenda. Special thanks are also due to my colleagues at Illinois State University, particularly Jamal Nassar and Lane Crothers, for their willingness to read parts of the manuscript and offer helpful suggestions. I am grateful to Kay Stults, a graphic designer at ISU, for her excellent work on the maps. I also want to express my deep appreciation to numerous readers, reviewers, and audiences around the world, who, over several years, made insightful comments in response to my public lectures and publications on the subject of globalization.

I am grateful to Eldon Wegner, chair of the department of sociology at the University of Hawai'i-Manoa, for his efforts to provide me with valuable office space as well as with the opportunity to teach relevant summer courses in social theory. I also appreciate the enthusiastic research assistance provided by my graduate assistant Ryan Canney.

Franz J. Broszmitter, a wonderful friend and hard-working research specialist at the Globalization Research Center in Honolulu, deserves special recognition. He supplied me with valuable information on the

ecological and historical aspects of globalization. Shelley Cox, my editor at Oxford University Press, has been a shining example of professionalism and competence. Finally, as always, I want to thank my wife, Perle Besserman, for her untiring support. Many people have contributed to improving the quality of this book; its remaining flaws are my own responsibility.

Abbreviations

AOL	America Online
APEC	Asian Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
BCE	Before the Common Era
CE	Common Era
CEO	Chief Executive Officer
CFCs	Chlorofluorocarbons
CITES	Convention on International Trade in Endangered Species of Wild Flora and Fauna
CNN	Cable News Network
CNBC	Cable National Broadcasting Corporation
EU	European Union
FTAA	Free Trade Area of the Americas
G8	Group of Eight
GATT	General Agreement of Tariffs and Trade
GDP	Gross domestic product
GNP	Gross national product
INGO	International non-governmental organization
IMF	International Monetary Fund
MAI	Multilateral Agreement on Investment
MERCOSUR	<i>Mercado Comun del Sur</i> (Southern Common Market)
MTV	Music Television
NAFTA	North American Free Trade Agreement

NATO	North Atlantic Treaty Organization
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
OPEC	Organization of Petroleum Exporting Countries
TNCs	Transnational Corporations
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
WTO	World Trade Organization

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Chapter 1

Globalization: a contested concept

In the autumn of 2001, I was teaching an undergraduate class on modern political and social theory. Still traumatized by the recent terrorist attacks on the World Trade Center and the Pentagon, most of my students couldn't quite grasp the connection between the violent forces of religious fundamentalism and the more secular picture of a technologically sophisticated, rapidly globalizing world that I had sought to convey in class lectures and discussions. 'I understand that "globalization" is a contested concept that refers to sometimes contradictory social processes,' a bright history major at the back of the room quipped, 'but how can you say that the TV image of a religious fanatic who denounces modernity and secularism from a mountain cave in Afghanistan perfectly captures the complex dynamics of globalization? Don't these terrible acts of terrorism suggest the opposite, namely, the growth of parochial forces that undermine globalization?' Obviously, the student was referring to Saudi-born Al Qaeda leader Osama bin Laden, whose videotaped statement condemning the activities of 'international infidels' had been broadcast worldwide on 7 October.

Struck by the sense of intellectual urgency that fuelled my student's question, I realized that the story of globalization would remain elusive without real-life examples capable of breathing shape, colour, and sound into a vague concept that had become *the*

buzzword of our time. Hence, before delving into necessary matters of definition and analytical clarification, we ought to approach our subject in less abstract fashion. I suggest we begin our journey with a careful examination of the aforementioned videotape. It will soon become fairly obvious why a deconstruction of those images provides important clues to the nature and dynamics of the phenomenon we have come to call 'globalization'.

Deconstructing Osama bin Laden

The infamous videotape bears no date, but experts estimate that the recording was made less than two weeks before it was broadcast. The timing of its release appears to have been carefully planned so as to achieve the maximum effect on the day the United States commenced its bombing campaign against Taliban and Al Qaeda (The Base) forces in Afghanistan. Although Osama bin Laden and his top lieutenants were then hiding in a remote region of the country, they obviously possessed the hi-tech equipment needed to record the statement. Moreover, Al Qaeda members clearly enjoyed immediate access to sophisticated information and telecommunication networks that kept them informed – in real-time – of relevant international developments. Bin Laden may have denounced the forces of modernity with great conviction, but the smooth operation of his entire organization was entirely dependent on advanced forms of technology developed in the last two decades of the 20th century.

To further illustrate this apparent contradiction, consider the complex chain of global interdependencies that must have existed in order for bin Laden's message to be heard and seen by billions of TV viewers around the world. After making its way from the secluded mountains of eastern Afghanistan to the capital city of Kabul, the videotape was dropped off by an unknown courier outside the local office of Al-Jazeera, a Qatar-based television company. This network had been launched only five years earlier as



1. Al Qaeda leader Osama bin Laden addressing a global audience on 7 October 2001.

a state-financed, Arabic-language news and current affairs channel that offered limited programming. Before the founding of Al-Jazeera, cutting-edge TV journalism – such as free-ranging public affairs interviews and talk shows with call-in audiences – simply did not exist in the Arab world. Within only three years, however, Al-Jazeera was offering its Middle Eastern audience a dizzying array of programmes, transmitted around the clock by powerful satellites put into orbit by European rockets and American space shuttles.

Indeed, the network's market share increased even further as a result of the dramatic reduction in the price and size of satellite dishes. Suddenly, such technologies became affordable, even for low-income consumers. By the turn of the century, Al-Jazeera broadcasts could be watched around the clock on all five continents. In 2001, the company further intensified its global reach when its chief executives signed a lucrative cooperation agreement with CNN, the leading news network owned by the giant multinational corporation AOL-Time-Warner. A few months later, when the world's attention shifted to the war in Afghanistan, Al-Jazeera had already positioned itself as a truly global player, powerful enough to rent equipment to such prominent news providers as Reuters and ABC, sell satellite time to the Associated Press and BBC, and design an innovative Arabic-language business news channel together with its other American network partner, CNBC.

Unhampered by national borders and geographical obstacles, cooperation among these sprawling news networks had become so efficient that CNN acquired and broadcast a copy of the Osama bin Laden tape only a few hours after it had been delivered to the Al-Jazeera office in Kabul. Caught off guard by the incredible speed of today's information exchange, the Bush administration asked the Qatari government to 'rein in Al-Jazeera', claiming that the swift airing of the bin Laden tape without prior consultation was contributing to the rise of anti-American sentiments in the Arab

world and thus threatened to undermine the US war effort. However, not only was the perceived 'damage' already done, but segments of the tape – including the full text of bin Laden's statement – could be viewed online by anyone with access to a computer and a modem. The Al-Jazeera website quickly attracted an international audience as its daily hit count skyrocketed to over seven million.

There can be no doubt that it was the existence of this chain of global interdependencies and interconnections that made possible the instant broadcast of bin Laden's speech to a global audience. At the same time, however, it must be emphasized that even those voices that oppose modernity cannot extricate themselves from the very process of globalization they so deery. In order to spread their message and recruit new sympathizers, antimodernizers must utilize the tools provided by globalization. This obvious truth was visible even in bin Laden's personal appearance. The tape shows that he was wearing contemporary military fatigues over traditional Arab garments. In other words, his dress reflects the contemporary processes of fragmentation and cross-fertilization that globalization scholars call 'hybridization' – the mixing of different cultural forms and styles facilitated by global economic and cultural exchanges. In fact, the pale colours of bin Laden's mottled combat dress betrayed its Russian origins, suggesting that he wore the jacket as a symbolic reminder of the fierce guerrilla war waged by him and other Islamic militants against the Soviet occupation forces in Afghanistan during the 1980s. His ever-present AK-47 Kalashnikov, too, was probably made in Russia, although dozens of gun factories around the world have been building this popular assault rifle for over 40 years. By the mid-1990s, more than 70 million Kalashnikovs had been manufactured in Russia and abroad. At least 50 national armies include such rifles in their arsenal, making Kalashnikovs truly weapons of global choice. Thus, bin Laden's AK-47 could have come from anywhere in the world. However, given the astonishing globalization of organized crime during the last two decades, it is quite conceivable that bin Laden's rifle was part of an illegal arms

deal hatched and executed by such powerful international criminal organizations as Al Qaeda and the Russian Mafia. It is also possible that the rifle arrived in Afghanistan by means of an underground arms trade similar to the one that surfaced in May 1996, when police in San Francisco seized 2,000 illegally imported AK-47s manufactured in China.

A close look at bin Laden's right wrist reveals yet another clue to the powerful dynamics of globalization. As he directs his words of contempt for the United States and its allies at his hand-held microphone, his retreating sleeve exposes a stylish sports watch. Journalists who noticed this expensive accessory have speculated about the origins of the timepiece in question. The emerging consensus points to a Timex product. However, given that Timex watches are as American as apple pie, it seems rather ironic that the Al Qaeda leader should have chosen this particular chronometer. After all, Timex Corporation, originally the Waterbury Clock Company, was founded in the 1850s in Connecticut's Naugatuck Valley, known throughout the 19th century as the 'Switzerland of America'. Today, the company has gone multinational, maintaining close relations to affiliated businesses and sales offices in 65 countries. The corporation employs 7,500 employees, located on four continents. Thousands of workers – mostly from low-wage countries in the global South – constitute the driving force behind Timex's global production process.

Our brief deconstruction of some of the central images on the videotape makes it easier to understand why the seemingly anachronistic images of an antimodern terrorist in front of an Afghan cave do, in fact, capture some essential dynamics of globalization. Indeed, the tensions between the forces of particularism and those of universalism have reached unprecedented levels only because interdependencies that connect the local to the global have been growing faster than at any time in history. The rise of international terrorist organizations like Al Qaeda represents but one of the many manifestations of

globalization. Just as bin Laden's romantic ideology of a 'pure Islam' is itself the result of the modern imagination, so has our global age with its obsession for technology and its mass-market commodities indelibly shaped the violent backlash against globalization.

Our deconstruction of Osama bin Laden has provided us with a real-life example of the intricate – and sometimes contradictory – social dynamics of globalization. We are now in a better position to tackle the rather demanding task of assembling a working definition of globalization that brings some analytical precision to a contested concept that has proven to be notoriously hard to pin down.

Toward a definition of globalization

Since its earliest appearance in the 1960s, the term 'globalization' has been used in both popular and academic literature to describe a process, a condition, a system, a force, and an age. Given that these competing labels have very different meanings, their indiscriminate usage is often obscure and invites confusion. For example, a sloppy conflation of process and condition encourages circular definitions that possess little explanatory power. For example, the often-repeated truism that 'globalization [the process] leads to more globalization [the condition]' does not allow us to draw meaningful analytical distinctions between causes and effects. Hence, I suggest that we use the term *globality* to signify a *social condition* characterized by the existence of global economic, political, cultural, and environmental interconnections and flows that make many of the currently existing borders and boundaries irrelevant. Yet, we should not assume that 'globality' refers to a determinate endpoint that precludes any further development. Rather, this concept points to a particular social condition that, like all conditions, is destined to give way to new, qualitatively distinct constellations. For example, it is conceivable that globality might be transformed into something we could call 'planetarity' – a new social formation brought about by the successful colonization of our

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solar system. Moreover, we could easily imagine different social manifestations of globality: one might be based primarily on values of individualism and competition, as well as on an economic system of private property, while another might embody more communal and cooperative social arrangements, including less capitalistic economic relations. These possible alternatives point to the fundamentally *indeterminate character* of globality; it is likely that our great-grandchildren will have a better sense of which alternative is likely to win out.

Conversely, the term *globalization* should be used to refer to a *set of social processes* that are thought to transform our present social condition into one of globality. At its core, then, globalization is about shifting forms of human contact. Indeed, the popular phrase 'globalization is happening' contains three important pieces of information: first, we are slowly leaving behind the condition of modernity that gradually unfolded from the 16th century onwards; second, we are moving toward the new condition of (postmodern) globality; and, third, we have not yet reached it. Indeed, like 'modernization' and other verbal nouns that end in the suffix '-ization', the term 'globalization' suggests a sort of dynamism best captured by the notion of 'development' or 'unfolding' along discernible patterns. Such unfolding may occur quickly or slowly, but it always corresponds to the idea of change, and, therefore, denotes the transformation of present conditions.

Hence, scholars who explore the dynamics of globalization are particularly keen on pursuing research questions related to the theme of social change. How does globalization occur? What is driving globalization? Is it one cause or a combination of factors? Is globalization a uniform or an uneven process? Is globalization extending modernity or is it a radical break? How does globalization differ from previous social developments? Does globalization create new forms of inequality and hierarchy? Notice that the conceptualization of globalization as an ongoing process rather than as a static condition forces the researcher to pay

close attention to shifting perceptions of time and space. This explains why globalization scholars assign particular significance to historical analysis and the reconfiguration of social space.

To argue that globalization refers to a set of social processes propelling us towards the condition of globality may eliminate the danger of circular definitions, but it gives us only one defining characteristic of the process: movement towards greater interdependence and integration. Such a general definition of globalization tells us very little about its remaining qualities. In order to overcome this deficiency, we must identify additional qualities that make globalization different from other sets of social processes. Yet, whenever researchers raise the level of specificity in order to bring the phenomenon in question into sharper focus, they also heighten the danger of provoking scholarly disagreements over definitions. Our subject is no exception. One of the reasons why globalization remains a contested concept is because there exists no scholarly consensus on what kinds of social processes constitute its essence.

Globalization: a contested concept

Despite such strong differences of opinion, however, it is possible to detect some thematic overlap in various scholarly attempts to identify the essential qualities of globalization processes. Consider, for example, the following five influential definitions of globalization. They suggest that four distinct qualities or characteristics lie at the core of the phenomenon. First, globalization involves the *creation* of new and the *multiplication* of existing social networks and activities that increasingly overcome traditional political, economic, cultural, and geographical boundaries. As we have seen in the case of Al-Jazeera television, the creation of today's satellite news corporations is made possible by the combination of professional networking, technological innovation, and political decisions that permit the emergence of new social orders that transcend parochial arrangements.

Globalization can thus be defined as 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.

Anthony Giddens, Director of the London School of Economics

The concept of globalization reflects the sense of an immense enlargement of world communication, as well as of the horizon of a world market, both of which seem far more tangible and immediate than in earlier stages of modernity.

Fredric Jameson, Professor of Literature at Duke University

Globalization may be thought of as a process (or set of processes) 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.

David Held, Professor of Political Science at the
London School of Economics

Globalization as a concept refers both to the compression of the world and the intensification of consciousness of the world as a whole.

Roland Robertson, Professor of Sociology at the
University of Pittsburgh

Globalization compresses the time and space aspects of social relations.

James Mittelman, Professor of International Relations
at American University

The second quality of globalization is reflected in the *expansion* and the *stretching* of social relations, activities, and interdependencies. Today's financial markets stretch around the globe, and electronic trading occurs around the clock. Gigantic shopping malls have emerged on all continents, offering those consumers who can afford it commodities from all regions of the world – including products whose various components were manufactured in different countries. To return to our initial example, we now know that the spatial reach of Osama bin Laden's organization rapidly expanded during the late 1990s. Aided by new technology and economic deregulation, terrorist cells sprang up in dozens of nations on all five continents, ultimately turning Al Qaeda into a global terrorist network capable of planning and executing attacks on a heretofore unimaginable scale. The same process of social stretching applies to less sinister associations such as non-governmental organizations, commercial enterprises, social clubs, and countless regional and global institutions and associations such as the United Nations, the European Union, the Association of South East Asian Nations, the Organization of African Unity, the Common Market of the South, Doctors Without Borders, Amnesty International, the Union of Concerned Scientists, the World Economic Forum, Microsoft, and General Motors, to name but a few.

Third, globalization involves the *intensification* and *acceleration* of social exchanges and activities. The Internet relays distant information in mere seconds, and satellites provide consumers with real-time pictures of remote events. As Anthony Giddens notes in his definition, the intensification of worldwide social relations means that local happenings are shaped by events occurring far away, and vice versa. In other words, the seemingly opposing processes of globalization and localization actually imply each other. The 'local' and the 'global' form the endpoints of a spatial continuum whose central portion is marked by the 'national' and the 'regional'.

To elaborate on this point, let us return to the example of Osama bin Laden. It is reasonable to assume that his terrorist strategy is being shaped continuously by technological breakthroughs achieved in American and Indian computer labs, as well as by political and military decisions made in Washington, DC, Brussels, and other parts of the world. At the same time, the activities of US politicians, military engineers in the United Kingdom, and Israeli secret service agents are significantly impacted by Osama bin Laden's strategy. The often-repeated phrase that 'globalization compresses time and space' simply means that things are getting faster and distances are shrinking dramatically. As the Spanish sociologist Manuel Castells has pointed out, the current rise of the global 'network society' would not have been possible without a technological revolution – one that has been powered chiefly by the rapid development of new information and transportation technologies. Proceeding at an ever-accelerating pace, these innovations are reshaping the social landscape of human life.

Fourth, the creation, expansion, and intensification of social interconnections and interdependencies do not occur merely on an objective, material level. As Roland Robertson notes in his definition, globalization processes also involve the subjective plane of human consciousness. Hence, we must not forget that globalization also refers to people becoming increasingly conscious of growing manifestations of social interdependence and the enormous acceleration of social interactions. Their awareness of the receding importance of geographical boundaries and distances fosters a keen sense of becoming part of a global whole. Reinforced on a daily basis, these persistent experiences of global interdependence gradually change people's individual and collective identities, and thus dramatically impact the way they act in the world.

It seems that we have now identified some of the essential qualities of globalization. This allows us to offer the following definition:

Globalization refers to a multidimensional set of social processes that create, multiply, stretch, and intensify worldwide social interdependencies and exchanges while at the same time fostering in people a growing awareness of deepening connections between the local and the distant.

More areas of contestation

Although we arrived at an adequate working definition of globalization by drawing out some common insights that appear in other influential definitions, we must not lose sight of the fact that there still remain several areas of contestation. After all, globalization is an uneven process, meaning that people living in various parts of the world are affected very differently by this gigantic transformation of social structures and cultural zones. Hence, the social processes that make up globalization have been analysed and explained by various commentators in different, often contradictory ways. Scholars not only hold different views with regard to proper definitions of globalization, they also disagree on its scale, causation, chronology, impact, trajectories, and policy outcomes. For example, the academic dispute over the scale of globalization revolves around the question of whether it should be understood in singular or differentiated terms. This notion of 'multidimensionality' appears as an important attribute of globalization in our own definition; still it requires further elaboration. The ancient Buddhist parable of the blind scholars and their encounter with the elephant helps to illustrate the nature of the academic controversy over the various dimensions of globalization.

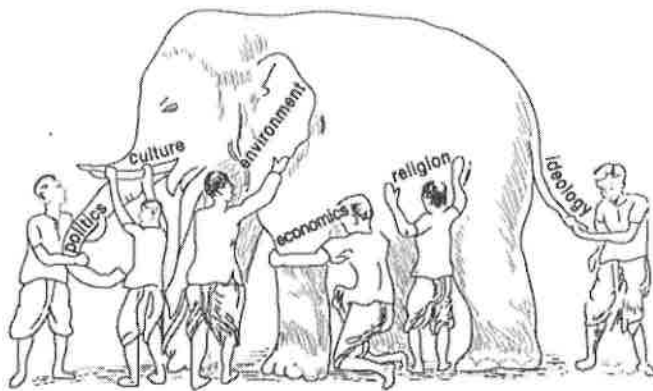
Since the blind scholars did not know what the elephant looked like, they resolved to obtain a mental picture, and thus the knowledge they desired, by touching the animal. Feeling its trunk, one blind man argued that the elephant was like a lively snake. Another man,

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rubbing along its enormous leg, likened the animal to a rough column of massive proportions. The third person took hold of its tail and insisted that the elephant resembled a large, flexible brush. The fourth man felt its sharp tusks and declared it to be like a great spear. Each of the blind scholars held firmly to his own idea of what constituted an elephant. Since their scholarly reputation was riding on the veracity of their respective findings, the blind men eventually ended up arguing over the true nature of the elephant.

The ongoing academic quarrel over which dimension contains the essence of globalization represents a postmodern version of the parable of the blind men and the elephant. Even those scholars who agree that globalization is best thought of as a singular process clash with each other over which aspect of social life constitutes the primary domain of the phenomenon. Some scholars argue that economic processes lie at the core of globalization. Others privilege political, cultural, or ideological aspects. Still others point to environmental processes as the essence of globalization. Like the blind men in the parable, each globalization researcher is partly right by correctly identifying *one* important dimension of the phenomenon in question. However, their collective mistake lies in their dogmatic attempts to reduce such a complex phenomenon as globalization to a single domain that corresponds to their own expertise.

To be sure, one of the central tasks for globalization researchers consists of devising better ways for gauging the relative importance of each dimension without losing sight of the interconnected whole. But it would be a grave mistake to cling to a one-sided understanding of globalization. Fortunately, more and more researchers have begun to heed this call for a genuine multidimensional approach to globalization that avoids pernicious reductionism. Since globalization contains multifaceted and differentiated processes, it is safe to say that virtually no areas of social life escape its reach. Or is it?



2. The globalization scholars and the elephant.

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Before we come to this important conclusion, let us consider several objections raised by those scholars who belong to the camp of the 'globalization sceptics'. These objections range from the accusation that fashionable 'globalization talk' amounts to little more than 'globaloncy' to less radical suggestions that globalization is a much more limited and uneven process than the sweeping arguments of the so-called 'hyperglobalizers' would have us believe. In many ways, the most radical globalization sceptics resemble the blind scholar who, occupying the empty space between the elephant's front and hind legs, groped in vain for a part of the elephant. Finding none, he accused his colleagues of making up fantastic stories about non-existent things, asserting that there were no such animals as 'elephants' at all.

However, evidence pointing to the rapid intensification of worldwide social relations is mounting. Hence, I will not attempt to refute those few globalization sceptics who go so far as to deny its existence altogether. On the other hand, I am rather sympathetic to the notion that globalization may be a geographically limited and uneven process. As I will argue myself in subsequent chapters, large segments of the world population – particularly in the global

South – do not enjoy equal access to thickening global networks and infrastructures. In that sense, then, globalization is associated with inequality. Nevertheless, even if it can be shown that the intensification of social interconnections and interdependencies appears to be concentrated in the economically advanced countries of the global North, it would still be entirely justified to engage in extensive 'globalization talk'. After all, the existence of patterns of rising interdependence in the global North does reflect a partial globalization trend, one that is likely to have significant impacts on other regions of the world.

In my view, the most challenging question that has emerged from the camp of globalization sceptics is the following: is globalization primarily a phenomenon of the modern age? Critics would respond to this question in the negative, adding that the concept of globalization has been applied in an historically imprecise manner. In a nutshell, this thoughtful group of sceptics contends that even a cursory look at history suggests that there is not much that is 'new' about contemporary globalization. Hence, before we explore in some detail the five main dimensions of globalization in subsequent chapters of this book, I suggest we give this weighty argument a fair hearing. Indeed, such a critical investigation of globalization's alleged novelty is closely related to yet another difficult question hotly debated in the fledgling field of globalization studies. What does a proper chronology and periodization of globalization look like? Let us turn to Chapter 2 to find answers to this question.

Chapter 2

Is globalization a new phenomenon?

If we asked an ordinary person on the streets of London, New York, Bangkok, or Rio de Janeiro about the essence of globalization, the answer would probably involve some reference to growing forms of political and economic interdependence fuelled by 'new technologies' like personal computers, the Internet, cellular phones, pagers, fax machines, palm pilots, digital cameras, high-definition televisions, satellites, jet planes, space shuttles, and supertankers. As subsequent chapters will show, however, technology provides only a partial explanation for the existence of contemporary forms of globalization. Yet, it would be foolish to deny that these new innovations have played a crucial role in the creation, multiplication, expansion, and intensification of global social interconnections and exchanges. The Internet, in particular, has assumed a pivotal function in facilitating globalization through the creation of the World Wide Web that connects billions of individuals, private associations, and governments. Since most of these technologies have been around for less than three decades, it seems to make sense to agree with those commentators who claim that globalization is, indeed, a new phenomenon.

At the same time, however, the definition of globalization we arrived at in the previous chapter stresses the dynamic nature of the phenomenon. The enhancement of worldwide interdependence

and the general growth of awareness of deepening global connections are gradual processes with deep historical roots. For example, the engineers who developed laptop computers and supersonic jet planes stand on the shoulders of earlier innovators who created the steam engine, the cotton gin, the telegraph, the phonograph, the telephone, the typewriter, the internal-combustion engine, and electrical appliances. These products, in turn, owe their existence to much earlier technological inventions such as the telescope, the compass, water wheels, windmills, gunpowder, the printing press, and oceangoing ships. In order to acknowledge the full historical record, we reach back even further to such momentous technological and social achievements as the production of paper, the development of writing, the invention of the wheel, the domestication of wild plants and animals, the emergence of language, and, finally, the slow outward migration of our African ancestors at the dawn of human evolution.

Thus, the answer to the question of whether globalization constitutes a new phenomenon depends upon how far we are willing to extend the chain of causation that resulted in those recent technologies and social arrangements that most people have come to associate with this fashionable buzzword. Some scholars consciously limit the historical scope of globalization to the last four decades of postindustrialism in order to capture its contemporary features. Others are willing to extend this timeframe to include the ground-breaking developments of the 19th century. Still others argue that globalization really represents the continuation and extension of complex processes that began with the emergence of modernity and the capitalist world system some five centuries ago. And a few remaining researchers refuse to confine globalization to time periods measured in mere decades or centuries. Rather, they suggest that these processes have been unfolding for millennia.

No doubt, each of these contending perspectives contains

important insights. As we will see in subsequent chapters, the advocates of the first approach have marshalled impressive evidence for their view that the dramatic expansion and acceleration of global exchanges since the early 1970s represents a quantum leap in the history of globalization. The proponents of the second view correctly emphasize the tight connection between contemporary forms of globalization and the explosion of technology known as the Industrial Revolution. The representatives of the third perspective rightly point to the significance of the time-space compression that occurred in the 16th century. Finally, the advocates of the fourth approach advance a rather sensible argument when they insist that any truly comprehensive account of globalization falls woefully short without the incorporation of ancient developments and enduring dynamics into our planetary history.

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While the short chronology outlined below is necessarily fragmentary and general, it nonetheless gives us a good sense that globalization is as old as humanity itself. This brief historical sketch identifies five distinct historical periods that are separated from each other by significant accelerations in the pace of social exchanges as well as a widening of their geographical scope. In this context, it is important to bear in mind that my chronology does not necessarily imply a linear unfolding of history, nor does it advocate a conventional Eurocentric perspective of world history. Full of unanticipated surprises, violent twists, sudden punctuations, and dramatic reversals, the history of globalization has involved all major regions and cultures of our planet.

Thus, it behoves us to refrain from imposing deterministic ideas of 'inevitability' and 'irreversibility' on globalization. However, it is important to note the occurrence of dramatic technological and social leaps in history that have pushed the intensity and global reach of these processes to new levels. Approaching our short chronology of globalization with these caveats in mind, we will be

able to appreciate both the novelty of each period and the continuity of the phenomenon itself.

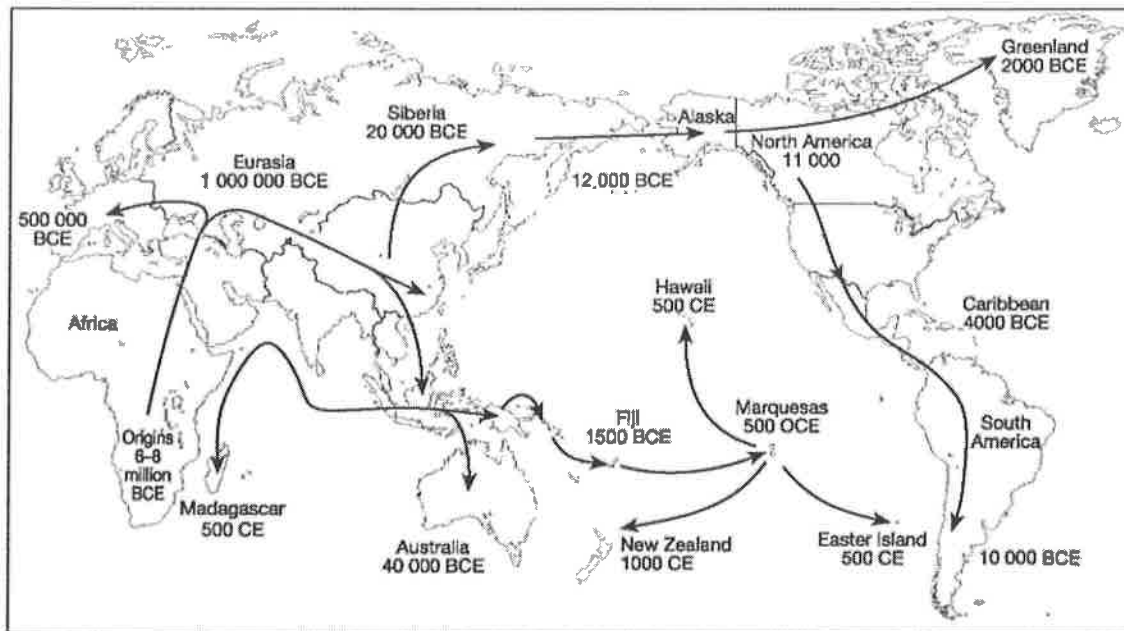
The prehistoric period (10,000 BCE–3,500 BCE)

Let us begin our brief historical sketch of globalization about 12,000 years ago when small bands of hunters and gatherers reached the southern tip of South America. This event marked the end of the long process of settling all five continents that was begun by our hominid African ancestors more than one million years ago. Although some major island groups in the Pacific and the Atlantic were not inhabited until relatively recent times, the truly global dispersion of our species was finally achieved. The successful endeavour of the South American nomads rested on the migratory achievements of their Siberian ancestors who had crossed the Bering Strait into North America a thousand years earlier.

Globalization

In this earliest phase of globalization, contact among thousands of hunter and gatherer bands spread all over the world was geographically limited and mostly coincidental. This fleeting mode of social interaction changed dramatically about 10,000 years ago when humans took the crucial step of producing their own food. As a result of several factors, including the natural occurrence of plants and animals suitable for domestication as well as continental differences in area and total population size, only certain regions located on or near the vast Eurasian landmass proved to be ideal for these growing agricultural settlements. These areas were located in the Fertile Crescent, north-central China, North Africa, northwestern India, and New Guinea. Over time, food surpluses achieved by these early farmers and herders led to population increases, the establishment of permanent villages, and the construction of fortified towns.

Roving bands of nomads lost out to settled tribes, chiefdoms, and, ultimately, powerful states based on agricultural food production. The decentralized, egalitarian nature of hunter and gatherer groups



Map 1. Early human migrations.

was replaced by centralized and highly stratified patriarchal social structures headed by chiefs and priests who were exempted from hard manual labour. Moreover, for the first time in human history, these farming societies were able to support two additional social classes whose members did not participate in food production. One group consisted of full-time craft specialists who directed their creative energies toward the invention of new technologies, such as powerful iron tools and beautiful ornaments made of precious metals, complex irrigation canals, sophisticated pottery and basketry, and monumental building structures. The other group was comprised of professional bureaucrats and soldiers who would later play a key role in the monopolization of the means of violence in the hands of the rulers, the precise accounting of food surpluses necessary for the growth and survival of the centralized state, the acquisition of new territory, the establishment of permanent trade routes, and the systematic exploration of distant regions.

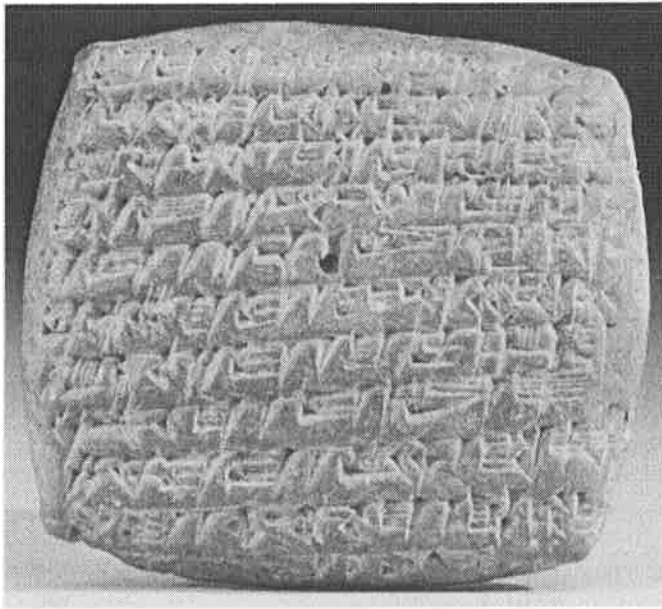
For the most part, however, globalization in the prehistoric period was severely limited. Advanced forms of technology capable of overcoming existing geographical and social obstacles were largely absent; thus, enduring long-distance interactions never materialized. It was only towards the end of this epoch that centrally administered forms of agriculture, religion, bureaucracy, and warfare slowly emerged as the key agents of intensifying modes of social exchange that would involve a growing number of societies in many regions of the world.

The premodern period (3,500 BCE–1,500 CE)

The invention of writing in Mesopotamia, Egypt, and central China between 3,500 and 2,000 BCE roughly coincided with the invention of the wheel around 3,000 BCE in Southwest Asia. Marking the close of the prehistoric period, these monumental inventions amounted to one of those technological and social boosts that moved globalization to a new level. Thanks to the auspicious east-west orientation of Eurasia's major continental axis – a

geographical feature that had already facilitated the rapid spread of crops and animals suitable for food production along the same latitudes – the diffusion of these new technologies to distant parts of the continent occurred within only a few centuries. The importance of these inventions for the strengthening of globalization processes should be obvious. Among other things, the wheel spurred crucial infrastructural innovations such as animal-drawn carts and permanent roads that allowed for the faster and more efficient transportation of people and goods. In addition to the spread of ideas and inventions, writing greatly facilitated the coordination of complex social activities and thus encouraged large state formations. Of the sizeable territorial units that arose during this period, only the Andes civilizations of South America managed to grow into the mighty Inca Empire without the benefits of either the wheel or the written word.

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3. Assyrian clay tablet with cuneiform writing, c. 1900–1800 BCE.

Thus the premodern period was the age of empires. As some states succeeded in establishing permanent rule over other states, the resulting vast territorial accumulations formed the basis of the Egyptian Kingdoms, the Persian Empire, the Macedonian Empire, the American Empires of the Aztecs and the Incas, the Roman Empire, the Indian Empires, the Byzantine Empire, the Islamic Caliphates, the Holy Roman Empire, the African Empires of Ghana, Mali, and Songhay, and the Ottoman Empire. All of these empires fostered the multiplication and extension of long-distance communication and the exchange of culture, technology, commodities, and diseases. The most enduring and technologically advanced of these vast premodern conglomerates was undoubtedly the Chinese Empire. A closer look at its history reveals some of the early dynamics of globalization.

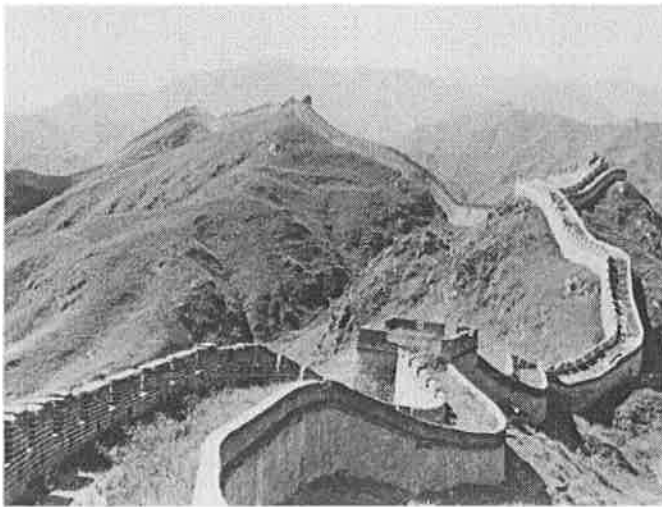
After centuries of warfare between several independent states, the Qin Emperor's armies, in 221 BCE, finally unified large portions of northeast China. For the next 1,700 years, successive dynasties known as the Han, Sui, Tang, Yuan, and Ming ruled an empire supported by vast bureaucracies that would extend its influence to such distant regions as tropical Southeast Asia, the Mediterranean, India, and East Africa. Dazzling artistry and brilliant philosophical achievements stimulated new discoveries in other fields of knowledge such as astronomy, mathematics, and chemistry. The long list of major technological innovations achieved in China during the premodern period include redesigned plowshares, hydraulic engineering, gunpowder, the tapping of natural gas, the compass, mechanical clocks, paper, printing, lavishly embroidered silk fabrics, and sophisticated metalworking techniques. The construction of vast irrigation systems consisting of hundreds of small canals enhanced the region's agricultural productivity while at the same time providing for one of the best river transport systems in the world. The codification of law and the fixing of weights, measures, and values of coinage fostered the expansion of trade and markets. The standardization of the size of cart axles and the roads they travelled on allowed Chinese merchants for the first

time to make precise calculations as to the desired quantities of imported and exported goods.

The most extensive of these trade routes was the Silk Road. It linked the Chinese and the Roman Empires, with Parthian traders serving as skilled intermediaries. Even 1,300 years after the Silk Road first reached the Italian peninsula, in 50 BCE, a truly multicultural group of Eurasian and African globetrotters – including the famous Moroccan merchant Ibn Battuta and his Venetian counterparts in the Marco Polo family – relied on this great Eurasian land route to reach the splendid imperial court of the Mongol Khans in Beijing.

By the 15th century CE, enormous Chinese fleets consisting of hundreds of 400-foot-long ocean-going ships were crossing the Indian Ocean and establishing short-lived trade outposts on the east coast of Africa. However, a few decades later, the rulers of the

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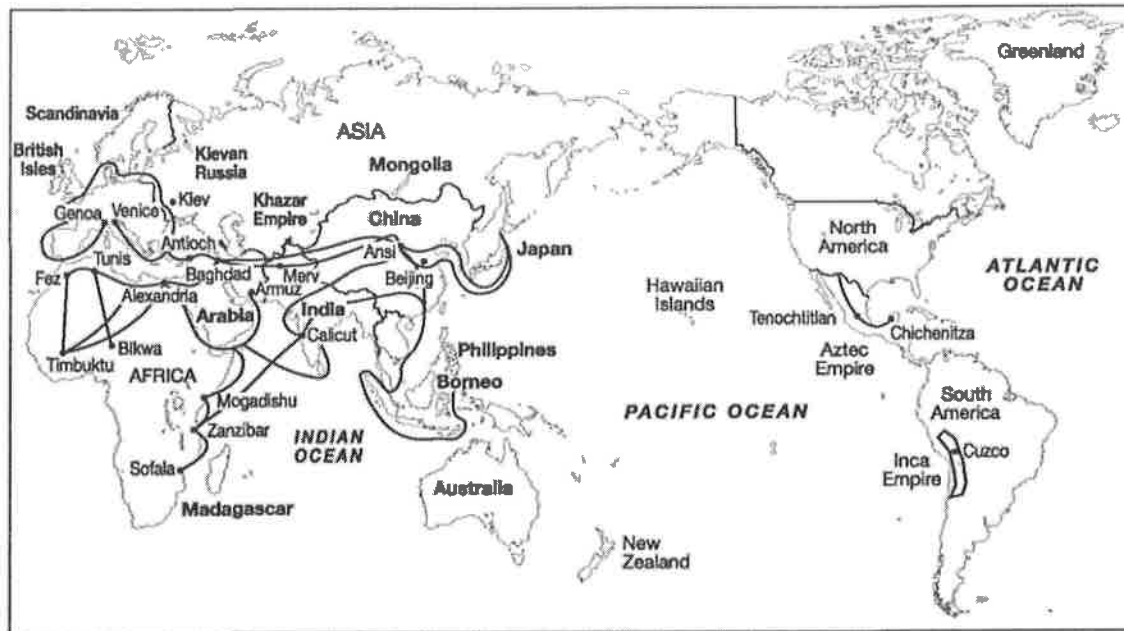


4. The Great Wall of China, begun in 214 BCE and rebuilt repeatedly. The only human artefact discernible from space.

Chinese Empire implemented a series of fateful political decisions that halted overseas navigation and mandated a retreat from further technological development. Thus, they cut short their empire's incipient industrial revolution, a development that allowed much smaller European states to emerge as the primary historical agents behind the intensification of globalization.

Towards the end of the premodern period, then, the existing global trade network consisted of several interlocking trade circuits that connected the most populous regions of Eurasia and northeastern Africa. Although both the Australian and the American continents still remained separate from this expanding web of economic, political, and cultural interdependence, the empires of the Aztecs and Incas had also succeeded in developing major trade networks in their own hemisphere.

Globalization The existence of these sprawling networks of economic and cultural exchange triggered massive waves of migration, which, in turn, led to further population increase and the rapid growth of urban centres. In the resulting cultural clashes, religions with only local significance were transformed into the major 'world religions' we know today as Judaism, Christianity, Islam, Hinduism, and Buddhism. But higher population density and more intense social interaction over greater distances also facilitated the spread of new infectious diseases like the bubonic plague. The enormous plague epidemic of the mid-14th century, for example, killed up to one-third of the respective populations of China, the Middle East, and Europe. However, these unwelcome by-products of unfolding globalization processes did not reach their most horrific manifestation until the fateful 16th-century collision of the 'old' and 'new' worlds, when the nasty germs of European invaders killed an estimated 18 million Native Americans.



Map 2. Major world trade networks, 1000-1450.

The early modern period (1500–1750)

The term 'modernity' has become associated with the 18th-century European Enlightenment project of developing objective science, achieving a universal form of morality and law, and liberating rational modes of thought and social organization from the perceived irrationalities of myth, religion, and political tyranny. The label 'early modern', then, refers to the period between the Enlightenment and the Renaissance. During these two centuries, Europe and its social practices served as the primary catalyst for globalization. Having contributed little to technology and other civilizational achievements before about 1,000 CE, Europeans northwest of the Alps greatly benefited from the diffusion of technological innovations originating in Islamic and Chinese cultural spheres. Despite the weakened political influence of China and the noticeable ecological decline of the Fertile Crescent some 500 years later, European powers failed to penetrate into the interior of Africa and Asia. Instead, they turned their expansionistic desires westward, searching for a new, profitable sea route to India. Their efforts were aided by such innovations as mechanized printing, sophisticated wind and water mills, extensive postal systems, revised maritime technologies, and advanced navigation techniques. Add the enormous impact of the Reformation and the related liberal political idea of limited government, and we have identified the main forces behind the qualitative leap that greatly intensified demographic, cultural, ecological, and economic flows between Europe, Africa, and the Americas.

Of course, the rise of European metropolitan centres and their affiliated merchant classes represented another important factor responsible for strengthening globalization tendencies during the early modern period. Embodying the new values of individualism and unlimited material accumulation, European economic entrepreneurs laid the foundation of what later scholars would call the 'capitalist world system'. However, these fledgling capitalists

could not have achieved the global expansion of their commercial enterprises without substantial support from their respective governments. The monarchs of Spain, Portugal, the Netherlands, France, and England all put significant resources into the exploration of new worlds and the construction of new interregional markets that benefited them much more than their exotic 'trading partners'. By the early 1600s, national joint stock companies like the Dutch and British East India companies were founded for the express purpose of setting up profitable overseas trade posts. As these innovative corporations grew in size and stature, they acquired the power to regulate most intercontinental economic transactions, in the process implementing social institutions and cultural practices that enabled later colonial governments to place these foreign regions under direct political rule. Related developments, such as the Atlantic slave trade and forced population transfers within the Americas, resulted in the suffering and death of millions of non-Europeans while greatly benefiting white immigrants and their home countries.

To be sure, religious warfare within Europe also created its share of dislocation and displacement for Caucasian populations. Moreover, as a result of these protracted armed conflicts, military alliances and political arrangements underwent continuous modification. Ultimately evolving from the Westphalian states system, the sovereign, territorial nation-state had emerged by 1648 as the modern container of social life. As the early modern period drew to a close, interdependencies among nation-states were multiplying as well as increasing in density.

The modern period (1750–1970)

By the late 18th century, Australia and the Pacific islands were slowly incorporated into the European-dominated network of political, economic, and cultural exchange. Increasingly



5. The sale of the island of Manhattan in 1626.

confronted with stories of the 'distant' and images of countless 'others', Europeans and their descendants on other continents took it upon themselves to assume the role of the world's guardians of universal law and morality. In spite of their persistent claims to civilizational leadership, however, they remained strangely oblivious to their racist practices and the appalling conditions of inequality that existed both within their own societies and between the West and the 'rest'. Fed by a steady stream of materials and resources that originated mostly in other regions of the world, Western capitalist enterprises gained in stature. Daring to resist powerful governmental controls, economic entrepreneurs and their academic counterparts began to spread a philosophy of individualism and rational self-interest that glorified the virtues of an idealized capitalist system supposedly based upon the providential workings of the free market and its 'invisible hand'.

Written in 1847 by the German political radicals Karl Marx and Friedrich Engels, the following passage from their famous *Communist Manifesto* captures the qualitative shift in social relations that pushed globalization to a new level in the modern period.

Indeed, the volume of world trade increased dramatically between 1850 and 1914. Guided by the activities of multinational banks,

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The discovery of America prepared the way for mighty industry and its creation of a truly global market. The latter greatly expanded trade, navigation, and communication by land. These developments, in turn, caused the further expansion of industry. The growth of industry, trade, navigation, and railroads also went hand in hand with the rise of the

bourgeoisie and capital which pushed to the background the old social classes of the Middle Ages ... Chased around the globe by its burning desire for ever-expanding markets for its products, the bourgeoisie has no choice but settle everywhere; cultivate everywhere; establish connections everywhere ... Rapidly improving the instruments of production, the bourgeoisie utilizes the incessantly easing modes of communication to pull all nations into civilization – even the most barbarian ones ... In a nutshell, it creates the world in its own image.

Translated by the author

capital and goods flowed across the borders relatively freely as the sterling-based gold standard made possible the worldwide circulation of leading national currencies like the British pound and the Dutch guilder. Eager to acquire their own independent resource bases, most European nation-states subjected large portions of the global South to direct colonial rule. On the eve of World War I, merchandise trade measured as a percentage of gross national output totalled almost 12% for the industrialized countries, a level unmatched until the 1970s. Global pricing systems facilitated trade in important commodities like grains, cotton, and various metals. Brand name packaged goods like Coca-Cola drinks, Campbell soups, Singer sewing machines, and Remington typewriters made their first appearance. In order to raise the global visibility of these corporations, international advertising agencies launched the first full-blown transborder commercial promotion campaigns.

As Marx and Engels noted, however, the rise of the European bourgeoisie and the related intensification of global interconnections would not have been possible without the 19th-century explosion of science and technology. To be sure, the

maintenance of these new industrial regimes required new power sources such as electricity and petroleum. The largely unregulated use of these energy sources resulted in the annihilation of countless animal and plant species as well as the toxification of entire regions. On the up side, however, railways, mechanized shipping, and 20th-century intercontinental air transport managed to overcome the last remaining geographical obstacles to the establishment of a genuine global infrastructure, while at the same time lowering transportation costs.

These innovations in transportation were complemented by the swift development of communication technologies. The telegraph and its transatlantic reach after 1866 provided for instant information exchanges between the two hemispheres. Moreover, the telegraph set the stage for the telephone and wireless radio communication, prompting newly emerging communication corporations like AT&T to coin advertising slogans in celebration of a world 'inextricably bound together'. Finally, the 20th-century arrival of mass circulation newspapers and magazines, film, and television further enhanced a growing consciousness of a rapidly shrinking world.

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The modern period also witnessed an unprecedented population explosion. Having increased only modestly from about 300 million at the time of the birth of Christ to 760 million in 1750, the world's population reached 3.7 billion in 1970. Enormous waves of migration intensified existing cultural exchanges and transformed traditional social patterns. Popular immigration countries like the United States of America, Canada, and Australia took advantage of this boost in productivity. By the early 20th century, these countries entered the world stage as forces to be reckoned with. At the same time, however, they made significant efforts to control these large migratory flows, in the process inventing novel forms of bureaucratic control and developing new surveillance techniques designed to accumulate more information about nationals while keeping 'undesirables' out.



6. Eastern European immigrants arriving in New York City in the late 1800s.

When the accelerating process of industrialization sharpened existing disparities in wealth and well-being beyond bearable limits, many working people in the global North began to organize themselves politically in various labour movements and socialist parties. However, their idealistic calls for international class solidarity went largely unheeded. Instead, nationalist ideologies captured the imagination of millions of people around the world. There is no question that interstate rivalries intensified at the outset of the 20th century as a result of mass migration, urbanization, colonial competition, and the excessive liberalization of world trade. The ensuing period of extreme nationalism culminated in two devastating world wars, a long global economic depression, and hostile measures to protect narrowly conceived political communities.

The defeat of the axis powers in 1945 and the process of decolonization slowly revived global flows and international exchanges. A new political order of nation-states anchored in the charter of the United Nations raised the prospect of global democratic governance. During the 1950s, however, such cosmopolitan hopes quickly faded as the Cold War divided the world for four long decades into two antagonistic spheres: a liberal-capitalist camp dominated by the United States, and an authoritarian-socialist realm controlled by the Soviet Union. For the first time in human history, the spectre of a global conflict capable of destroying virtually all life on our planet had been raised.

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The contemporary period (from 1970)

As we noted at the beginning of this chapter, the dramatic creation, expansion, and acceleration of worldwide interdependencies and global exchanges that have occurred since the early 1970s represent yet another quantum leap in the history of globalization. But what exactly is happening? Why does what is happening justify the creation of a buzzword that has not only captured the public imagination, but has also elicited such powerful conflicting

emotional responses? Is contemporary globalization a 'good' or a 'bad' thing? Throughout this book we will consider possible answers to these crucial questions. In doing so, we will limit the application of the term 'globalization' to the contemporary period while keeping in mind that the dynamic driving these processes actually started thousands of years ago.

Before we embark on this next stage of our journey, let us pause and recall an important point we made in Chapter 1. Globalization is not a single process but a set of processes that operate simultaneously and unevenly on several levels and in various dimensions. We could compare these interactions and interdependencies to an intricate tapestry of overlapping shapes and colours. Yet, just as an auto mechanic apprentice must turn off and disassemble the car engine in order to understand its operation, so must the student of globalization apply analytical distinctions in order to make sense of the web of global interdependencies. In ensuing chapters we will identify, explore, and assess patterns of globalization in each domain while keeping in mind its operation as an interacting whole. Although we will study the various dimensions of globalization in isolation, we will resist the temptation to reduce globalization to a single aspect. Thus will we avoid the blunder that kept the blind men from appreciating the multidimensional nature of the elephant.