

Globalization - Steger

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 a contested concept that has proven to be notoriously hard to pin down.

Towards a definition of globalization

'Globalization' has been variously 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 explain little. 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.

Globalization

Hence, I suggest that we adopt the term *globality* to signify a *social condition* characterized by tight global economic, political, cultural, and environmental interconnections and flows that make most of the currently existing borders and boundaries irrelevant. Yet, we should neither assume that globality is already upon us nor that it refers to a determinate endpoint that precludes any further development. Rather, this concept signifies a future social condition that, like all conditions, is destined to give way to new constellations. For example, it is conceivable that globality might eventually be transformed into something we might call 'planetarity' – a new social condition brought about by the successful colonization of our solar system. Moreover, we could easily imagine different social manifestations of globality: one might be based primarily on values of individualism, competition, and laissez-faire capitalism, while another might

draw on more communal and cooperative norms. These possible alternatives point to the fundamentally *indeterminate character* of globality.

The term *globalization* applies to a *set of social processes* that appear to *transform* our present social condition of *weakening nationality* into one of *globality*. At its core, then, globalization is about *shifting forms* of human contact. Indeed, any affirmation of globalization implies three assertions: first, we are slowly leaving behind the condition of modern nationality that gradually unfolded from the eighteenth century onwards; second, that we are moving towards 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 transformation.

Hence, academics exploring 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 a continuation of 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 a dynamic process rather than as a static condition forces the researcher to pay close attention to shifting perceptions of time and space. This explains why many globalization scholars assign particular significance to historical analysis and the reconfiguration of social space. Indeed, the crucial insights of human geographers have played a major role in developing the field of Global Studies. Most importantly, these

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scholars point out that old geographical scales that distinguish sharply between 'local', 'national', 'regional', and 'global', no longer work in a complex, networked world where these scales overlap and interpenetrate each other. Indeed, the best place to study the 'global' is often the 'local' – reflected, for example, in 'global cities' like New York, London, Tokyo, and Shanghai.

Finally, let us adopt *global imaginary* as a concept referring to people's growing consciousness of belonging to a global community. This is not to say that national and local communal frameworks have lost their power to provide people with a meaningful sense of home and identity. But it would be a mistake to close one's eyes to the weakening of the national imaginary. As the global imaginary erupts with increasing frequency within and onto the national and local, it destabilizes and unsettles the conventional parameters of understanding within which people imagine their communal existence. As we shall see in later chapters, the rising global imaginary is also powerfully reflected in the current transformation of political ideologies – the ideas and beliefs that go into the articulation of concrete political agendas and programmes.

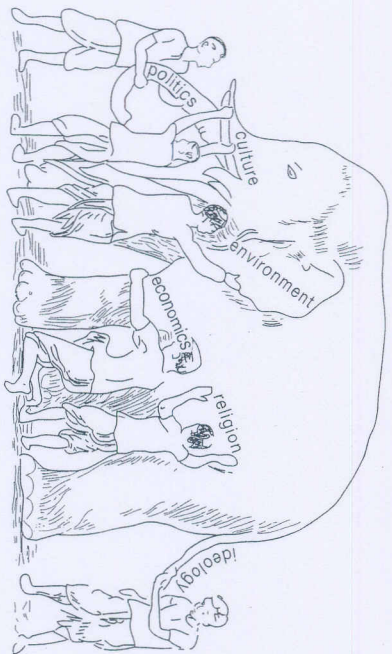
To argue that globalization constitutes a set of social processes enveloped by the rising global imaginary and propelling us towards the condition of globality may eliminate the danger of circular definitions, but it gives us only one defining characteristic of the process: movement towards greater interdependence and integration. Such a general definition of globalization tells us little about its remaining qualities. In order to overcome this deficiency, let us 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.

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. The ancient Buddhist parable of the blind scholars and their encounter with the elephant helps to illustrate the academic controversy over the nature and 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, 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 few remaining scholars who still think of globalization as a singular process clash with each other over which aspect of social life constitutes its primary domain. Some Global Studies experts



2. The globalization scholars and the elephant

Globalization

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. Surely, one of the central tasks for Global Studies as an emerging field must be to devise better ways for gauging the relative importance of each dimension without losing sight of the interconnected whole. Fortunately, more and more researchers have begun to heed this call for a genuine multidimensional approach to globalization that avoids pernicious reductionism.

Despite such differences of opinion, it is nonetheless possible to detect some thematic overlap in various scholarly attempts to identify the core qualities of globalization processes. Consider, for example, the five influential definitions of globalization (see box).

'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, Former 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,
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,
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,
University of Aberdeen, Scotland

'Globalization compresses the time and space aspects of social relations.'

James Mittelman, Professor of International Relations,
American University, Washington

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These definitions point to four additional qualities or characteristics at the core of the phenomenon. First, globalization involves the creation of new, and the multiplication of existing, social networks and activities that cut across traditional political, economic, cultural, and geographical boundaries. As we have seen in the case of Al-Jazeera, 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 nationally-based arrangements.

2 The second quality of globalization is reflected in the expansion and the stretching of social relations, activities, and interdependencies.

Today's financial markets reach around the globe, and electronic trading occurs around the clock. Gigantic and virtually identical shopping malls have emerged on all continents, offering those consumers who can afford commodities from all regions of the world – including products whose various components were manufactured in different countries. This process of social stretching applies to the Al-Qaeda terrorist network as well as to less sinister associations such as non-governmental organizations, commercial enterprises, social clubs, and countless regional and global institutions and associations: the United Nations, the European Union, the Association of South-East Asian Nations, the Organization of African Unity, Doctors Without Borders, the World Social Forum, or Google, to name but a few.

3 Third, globalization involves the intensification and acceleration of social exchanges and activities. As the Spanish sociologist Manuel Castells has pointed out, the creation of a global network society' required a technological revolution – one that has been powered chiefly by the rapid development of new information and transportation technologies. Proceeding at breakneck speed, these innovations are reshaping the social landscape of human life. The

Internet relays distant information in real time, and satellites provide consumers with instant pictures of remote events. 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. Rather than sitting at the base and the top of conventional geographical hierarchies, the local and global intermingle messily with the national and regional in new horizontal scales.

Fourth, as we emphasized in our discussion of the global imaginary, globalization processes do not occur merely on an objective, material level but also involve the subjective plane of human consciousness. The compression of the world into a single place increasingly makes global the frame of reference for human thought and action. Hence, globalization involves both the macro-structures of community and the micro-structures of personhood. It extends deep into the core of the self and its dispositions, facilitating the creation of new individual and collective identities nurtured by the intensifying relations between the individual and the globe.

It seems that we have succinctly identified some of the core qualities of globalization. Compressing them into a single sentence yields the following *very short* definition of globalization:

Globalization refers to the expansion and intensification of social relations and consciousness across world-time and world-space.

Before we draw this chapter to a close, let us consider some objections raised by those scholars who belong to the camp of the 'globalization sceptics'. Their objections range from the accusation that fashionable 'globalization talk' amounts to little more than 'globaloney' 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. Since evidence pointing to the rapid intensification of worldwide social relations has been mounting in the 2000s, I will resist delving into a detailed refutation of those few remaining sceptics who deny the existence of globalization altogether.

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Still, globalization sceptics performed the valuable service of forcing global studies scholars to hone their arguments. One of the most challenging questions posed by globalization sceptics is a historical one: is globalization a modern phenomenon? Some critics would respond to this question in the negative, insisting that the concept of globalization has been used in a 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 main dimensions of globalization in subsequent chapters of this book, I suggest we give this weighty historical argument a fair hearing. Indeed, such a critical investigation of globalization's alleged novelty is closely related to yet another question hotly debated in Global Studies. What does a proper chronology and historical periodization of globalization look like? Let us turn to Chapter 2 to seek answers to these questions.

Chapter 2

Globalization and history: is globalization a new phenomenon?

If we asked an ordinary person on the busy streets of global cities like London, New York, or Singapore 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, personal digital assistants like the popular 'Blackberry', digital cameras, high-definition television, satellites, jet planes, space shuttles, and supertankers. As subsequent chapters will show, however, technology provides only a partial explanation for the latest wave of globalization. Yet, it would be foolish to deny that these new innovations have played a crucial role in the expansion and intensification of social relations and consciousness across world-time and world-space. 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, civil society 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 relatively 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 rise of the global imaginary are gradual processes with deep historical roots. 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 ocean-going ships. In order to acknowledge the full historical record, we might 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.

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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 post-1989 era or the last four decades of post-industrialism in order to capture its contemporary features. Others are willing to extend this timeframe to include the ground-breaking developments of the nineteenth 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 1970s and 1980s represent 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 sixteenth century when Eurasia, Africa, and the Americas first became connected by enduring trade routes. Finally, the advocates of the fourth approach advance a rather sensible argument when they insist that any truly comprehensive account of globalization falls short without the incorporation of ancient developments and enduring dynamics into our planetary history.

While the short chronology outlined below is necessarily fragmentary and general, it nonetheless highlights the fact that globalization is a long-term phenomenon. This brief sketch identifies five 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. Thus, we could say that globalization is a long-term process that, over many centuries, has crossed distinct qualitative thresholds. 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.

The prehistoric period (10 000 BCE–3500 BCE)

Let us begin our brief historical sketch of globalization about 12,000 years ago when small bands of hunters and gatherers

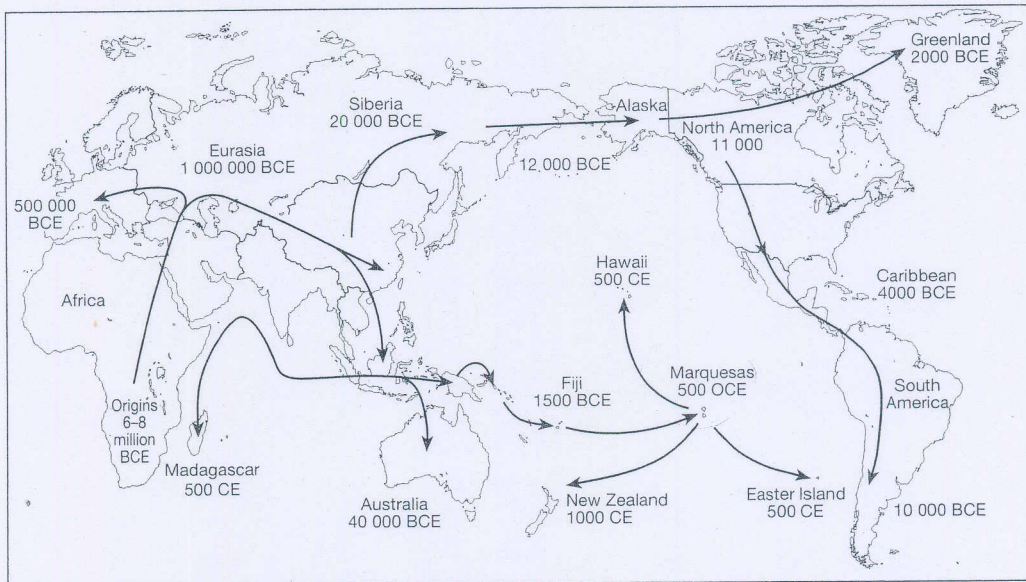
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reached the southern tip of South America. This event marked the end of the long process of settling all five continents that was begun by our hominid African ancestors more than one million years ago. Although some major island groups in the Pacific 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.

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, north-western 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 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



Map 1. Early human migrations

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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.

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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 (3500 BCE–1500 BCE)

The invention of writing in Mesopotamia, Egypt, and central China between 3500 and 2000 BCE roughly coincided with the invention of the wheel around 3000 BCE in South-West 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



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

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America managed to grow into the mighty Inca Empire without the benefits of either the wheel or the written word.)

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.

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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, T'ang, Yuan, and Ming ruled an empire supported by vast bureaucracies that would extend its influence to such distant regions as tropical South-East 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 ploughshares, 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.

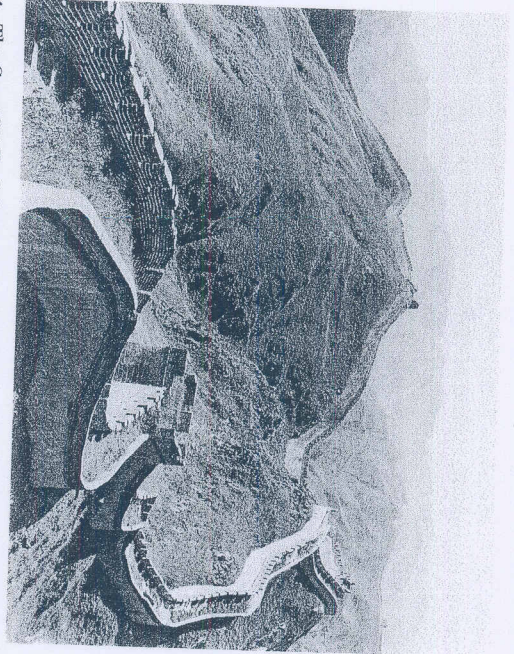
The most extensive of these trade routes was the Silk Road. It linked the Chinese and the Roman Empires, with Parthian traders serving as skilled intermediaries. Even 1,300 years after the Silk Road first reached the Italian peninsula, in 50 BCE, a truly multicultural group of Eurasian and African globetrotters – 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 fifteenth 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 Chinese Empire's series of fateful political decisions to turn inward halted overseas navigation and mandated a retreat from further technological development. Thus, the rulers 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.

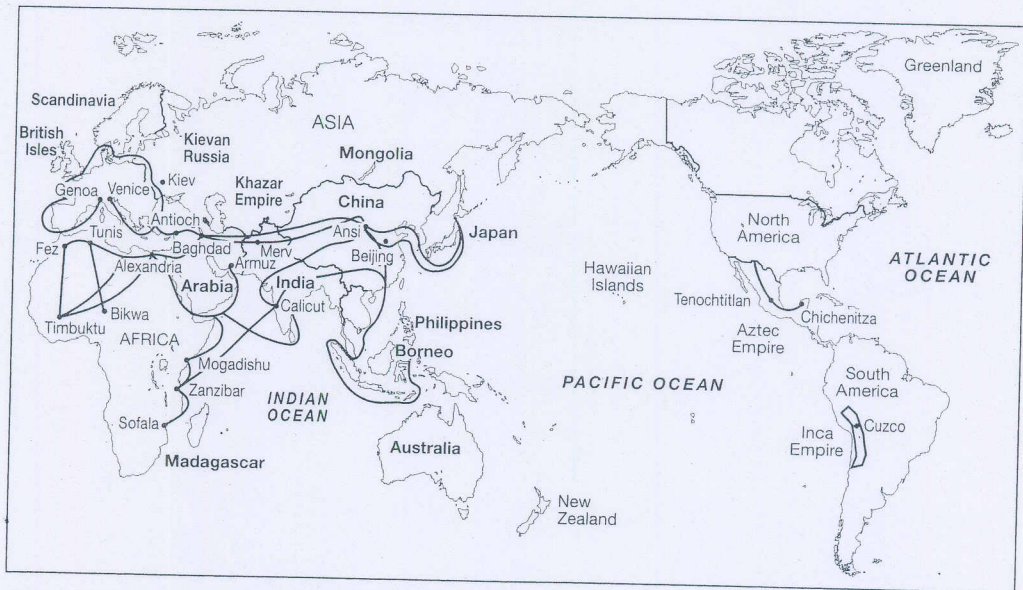
Towards the end of the premodern period, then, the existing global trade network consisted of several interlocking trade circuits that connected the most populous regions of Eurasia and north-eastern Africa. Although both the Australian and the American continents still remained separate from this expanding 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.

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4. The Great Wall of China, begun in 214 BCE and rebuilt repeatedly



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-fourteenth 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 sixteenth-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 (eighteenth-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 1000 CE, Europeans north-west 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 (Mesopotamia) some 500 years later, European powers failed to penetrate into the interior of Africa and Asia.

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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 that reduced the power of the Catholic Church and helped spread related 'liberal' ideas of individualism and 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.

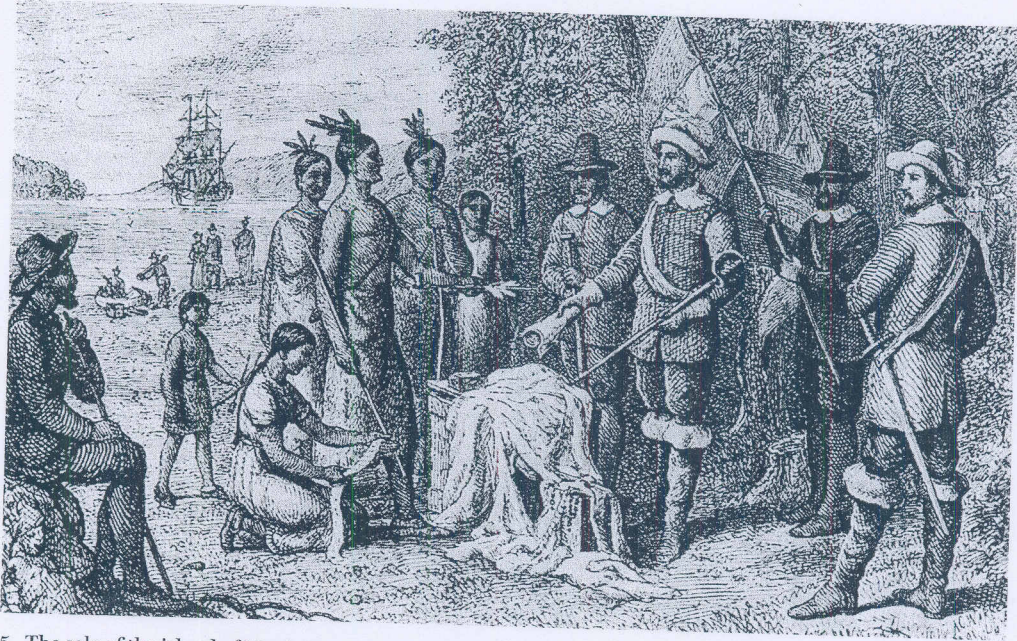
Of course, the rise of European metropolitan centres and their affiliated merchant classes represented another important factor responsible for strengthening globalization tendencies during the early modern period. Embodying the new values of individualism and unlimited material accumulation, European

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 eighteenth century, Australia and the Pacific islands were slowly incorporated into the European-dominated network



5. The sale of the island of Manhattan, 1626

of political, economic, and cultural exchange. Increasingly 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 boxed passage taken 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, 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 the First World War, merchandise trade measured as a percentage of gross national output totalled almost 12 per cent for the industrialized countries, a level unmatched until the 1970s. Global

Marx and Engels on globalization

'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 to 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

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 nineteenth-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 upside, however, railways, mechanized shipping, and twentieth-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 twentieth-century arrival of mass circulation newspapers and magazines, film, and television further enhanced a growing consciousness of a rapidly shrinking world.

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 twentieth 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, 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, ideologies that translated the national imaginary into extreme political programmes captured the imagination of millions of people around the world. There is no question that interstate rivalries intensified at the outset of the twentieth 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 end of the Second World War saw the explosion of two powerful atomic bombs that killed nearly 200,000 Japanese, most of them civilians. Nothing did more to convince people around the world of the linked fate of geographically and politically separated nations. Indeed, the global imaginary found a horrifying expression in the Cold-War acronym 'MAD' (mutually assured destruction). A more positive result was the process of decolonization in the 1950s and 1960s that slowly revived global flows and international exchanges. The new 'international system' of sovereign yet interdependent nation-states anchored in the charter of the United Nations raised the prospect of global democratic governance. However, such cosmopolitan hopes quickly faded as the Cold War divided the world for four long decades into two antagonistic spheres: a liberal-capitalist 'First World' dominated by the United States, and an authoritarian-socialist 'Second World' controlled by the Soviet Union. Both blocs sought to establish their political and ideological dominance in the 'Third World'. Indeed, superpower confrontations like the Cuban Missile Crisis raised the spectre

of a global conflict capable of destroying virtually all life on our planet.

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. These dynamics received another boost with the collapse of Soviet-style communism and attempts to create a single global market. 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 of its main domains – economic, political, cultural, ecological, and

ideological – 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.